

RECEIVED

For KCC Use: 9-11-05  
Effective Date: 4  
District #  
SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

SEP 12 2005

Form C-1  
December 2002

Form must be Typed  
Form must be Signed  
All blanks must be Filled

NOTICE OF INTENT TO DRILL KCC WICHITA

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date September 10, 2005  
month day year

Spot NW - NW - NW Sec. 35 Twp. 13 S. R. 30  East  West  
480 feet from  N /  S Line of Section  
430 feet from  E /  W Line of Section  
Is SECTION  Regular  Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Gove  
Lease Name: W Teeter Well #: 2  
Field Name: Gove West  
Is this a Prorated / Spaced Field?  Yes  No  
Target Formation(s): MARM/MISS

Nearest Lease or unit boundary: 430'  
Ground Surface Elevation: 2829' feet MSL  
Water well within one-quarter mile:  Yes  No  
Public water supply well within one mile:  Yes  No  
Depth to bottom of fresh water: 200' / 175'  
Depth to bottom of usable water: 1250'  
Surface Pipe by Alternate:  1  2  
Length of Surface Pipe Planned to be set: 250'  
Length of Conductor Pipe required: NONE  
Projected Total Depth: 4400'  
Formation at Total Depth: MISSISSIPPI

Water Source for Drilling Operations:  
 Well  Farm Pond Other: TRUCKED  
DWR Permit #: (Note: Apply for Permit with DWR )

Will Cores be taken?  Yes  No  
If Yes, proposed zone:

OPERATOR: License# 5316  
Name: Falcon Exploration, Inc. CORRECTED  
Address: 155 N. Market, Ste 1020  
City/State/Zip: Wichita, KS 67202  
Contact Person: Ron Schraeder / Micheal S. Mitchell  
Phone: 316-262-1378

CONTRACTOR: License# KLN5822  
Name: Val Energy, Inc.

Well Drilled For:  Oil  Gas  OWWO  Seismic; # of Holes  Other  
Well Class:  Enh Rec  Storage  Disposal  Other  
Type Equipment:  Infield  Pool Ext.  Wildcat  Other  
 Mud Rotary  Air Rotary  Cable

If OWWO: old well information as follows:  
Operator:  
Well Name:  
Original Completion Date: Original Total Depth:

Directional, Deviated or Horizontal wellbore?  Yes  No  
If Yes, true vertical depth:  
Bottom Hole Location:  
KCC DKT #:

\* Expiration date was: 3-11-2006 (6 months from effective date)  
Expiration date is: 3-6-2006 (6 months from approval date)

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.  
It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office prior to spudding of well;
2. A copy of the approved notice of intent to drill shall be posted on each drilling rig;
3. The minimum amount of surface pipe as specified below shall be set by circulating cement to the top; in all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 days of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. In all cases, NOTIFY district office prior to any cementing.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 9/1/2005 Signature of Operator or Agent: Ron Schraeder Title: Engineer

For KCC Use ONLY  
API # 15 - 063-21601-00-00  
Conductor pipe required: NONE feet  
Minimum surface pipe required: 225 feet per Att. 2  
Approved by: RSR 9.6.05  
\*This authorization expires: 3-6-2006  
(This authorization void if drilling not started within 6 months of approval date.)  
Spud date: Agent:

Remember to:

- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.
- If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.

Well Not Drilled - Permit Expired

Signature of Operator or Agent: Date:

35 13 30W