NOTICE OF INTENT TO DRILL

For KCC Unit:

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

Must be approved by KCC Rev.5 days prior to commencing well.

Operator Title: licensee 33564
Name: Coalbed Technology, LLC
Address: 403 E. Boston Ave, Suite 3000
City/State/Zip: Tulsa, OK 74103
Contact Name: Bruce Gabriele
Phone: 918-747-7771

CONTRACTOR: licensee 32861
Name: Faith Well Service, Inc.

Well Depth: 2,010 feet
Well Class: Horizontal Drilled
Type Equipment: Mud Rotary
Gas: Yes
Drill Pipe: 4 1/2
OWD: Yes
Drill Stem: 9 5/8 x 6 5/8 x 5 1/2
Number of Holes: 4

If OWD1: old well information as follows:
Operator: N/A
Well Name: N/A
Original Completion Date: N/A
Original Total Depth: N/A
Current Total Depth: 2,010
Bottom Hole Location: 30°07’13.33” FEL
KCC DKT #: 0-0-CONS-CHO-03

Submission Date: 10-07-2005

SURFACE LOCATION

Visit http://www.kcc.ks.gov/OilGas concedeظر

SURFACE LOCATION

Spot SE SE SE N

500’ 500’

East

West

Is Section Regular Irregular

County: Bourbon
Lease Name: None
Field Name: None
Is the Proposed Drilled Site? Yes
Target Formation(s): Cherokee
Nearest Lease or Unit Boundary: 500’
Ground Surface Elevation: 592
Water well within one-quarter mile: No
Public water supply well within one mile: No
Depth to bottom of fresh water: 1,106
Depth to bottom of usable water: 1,106
Surface Pipe by Alternates: 2
Length of Surface Pipe Planned to be set: 20
Length of Conductive Pipe required: None
Projected Total Depth: 2,010
Formation at True Depth: Cherokee
Water Source for Drilling Operations:
• well
• farm pond
• other, Truck

(Affidavit: Affidavit for Permit with DWR)
Will Core be taken? No
If Yes, proposed zone: N/A

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-36.

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 an oil or gas well, 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 #130,891-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: 3-31-2005
Signature of Operator or Agent: Consultant

Reminders:
- File DWR Application (Form CDP-1) with intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File average production report according to field production 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 the permit has expired (less authorized completion dates) please check the box below and return to the address below.

Well Not Drilled - Permit Expired
Signature of Operator or Agent:
Date:

Mail to: KCC - Conservation Division, 130 S. Market - Room 207B, Wichita, Kansas 67202
In all cases plot the intended well on the plat below

Plat of acreage attributable to a well in a prorated or spaced field

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15: ____________________________
Operator: Coolbed Technology, LLC
Lease: Martin
Well Number: 1H-20
Field: Petersburg
Number of Acres attributable to well: _______"SE...SE...
GTR / QTR / QTR of acreage: _______

Location of Well: County: Bourbon
500' E line from S R 23
500' W line from S R 23

Is Section: [x] Regular or [ ] Irregular
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: [ ] NE [ ] NW [ ] SE [ ] SW

PLAT
(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)

NOTE: In all cases locate the spot of the proposed drilling location.

In plotting the proposed location of the well, you must show:

1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections,
   4 sections, etc.
2. The distance to the nearest lease or unit boundary line.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CO-8 for gas wells).