

For KCC Use: 10-18-05  
 Effective Date: 10-18-05  
 District #: 3  
 SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
 OIL & GAS CONSERVATION DIVISION

RECEIVED

Form C-1  
 December 2002

NOTICE OF INTENT TO DRILL

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

SEP 12 2005

Form must be Typed  
 All blanks must be Filled

Expected Spud Date September 20 2005  
month day year

OPERATOR: License# 33564  
 Name: Coalbed Technology, LLC  
 Address: 401 S. Boston Ave., Suite 3000  
 City/State/Zip: Tulsa, OK 74103  
 Contact Person: Bruce Gablerz  
 Phone: 918 747-7771

CONTRACTOR: License# 32881  
 Name: Faith Well Service, Inc.

<b>Well Drilled For:</b>	<b>Well Class:</b>	<b>Type Equipment:</b>
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield
<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
<input type="checkbox"/> OWWO	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic; # of Holes	<input type="checkbox"/> Other	<input type="checkbox"/> Mud Rotary
<input type="checkbox"/> Other		<input type="checkbox"/> Air Rotary
		<input type="checkbox"/> Cable

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

Directional, Deviated or Horizontal wellbore?  Yes  No  
 If Yes, true vertical depth: 620'  
 Bottom Hole Location: 450' FSL, 1320' FEL  
 KCC DKT #: OG-CONS-047-CHOR  
GRANTED 10-13-05

Surface Location **KCC WICHITA**  
 Spot NE NE NW Sec. 26 Twp. 26 S. R. 22  
450' feet from  N /  S Line of Section  
2220' feet from  E /  W Line of Section  
 Is SECTION  Regular  Irregular?

(Note: Locate well on the Section Plat on reverse side)  
 County: Bourbon  
 Lease Name: Woods Well #: 1H-26  
 Field Name: Petersburg

Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Cherokee  
 Nearest Lease or unit boundary: 450'

Ground Surface Elevation: 905' 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: 100'  
 Depth to bottom of usable water: 100-200

Surface Pipe by Alternate:  1  2  
 Length of Surface Pipe Planned to be set: 20'  
 Length of Conductor Pipe required: None  
 Projected Total Depth: 620'

Formation at Total Depth: Cherokee  
 Water Source for Drilling Operations:  
 Well  Farm Pond Other Truck  
 DWR Permit #: N/A

(Note: Apply for Permit with DWR )  
 Will Cores be taken?  Yes  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 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: 8-31-2005 Signature of Operator or Agent: [Signature] Title: Consultant

For KCC Use ONLY  
 API # 15 - 011-23151-01-00  
 Conductor pipe required NONE feet  
 Minimum surface pipe required 20 feet per Alt. + (2)  
 Approved by: RJP 10-13-05  
 This authorization expires: 4.18.06  
 (This authorization void if drilling not started within 6 months of ~~expiration~~ date.)  
 Spud date: \_\_\_\_\_ Agent: approval

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: \_\_\_\_\_

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

26  
26  
22E

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 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: Coalbed Technology, LLC
Lease: Woods
Well Number: 1H-26
Field: Petersburg

Location of Well: County: Bourbon
450' feet from N / S Line of Section
2220' feet from E / W Line of Section
Sec. 26 Twp. 26 S. R. 22 East West

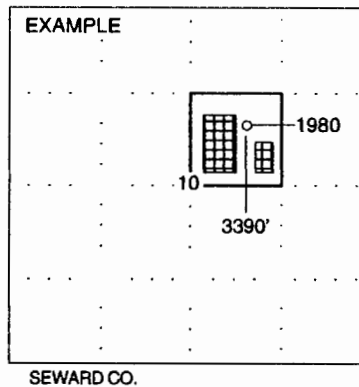
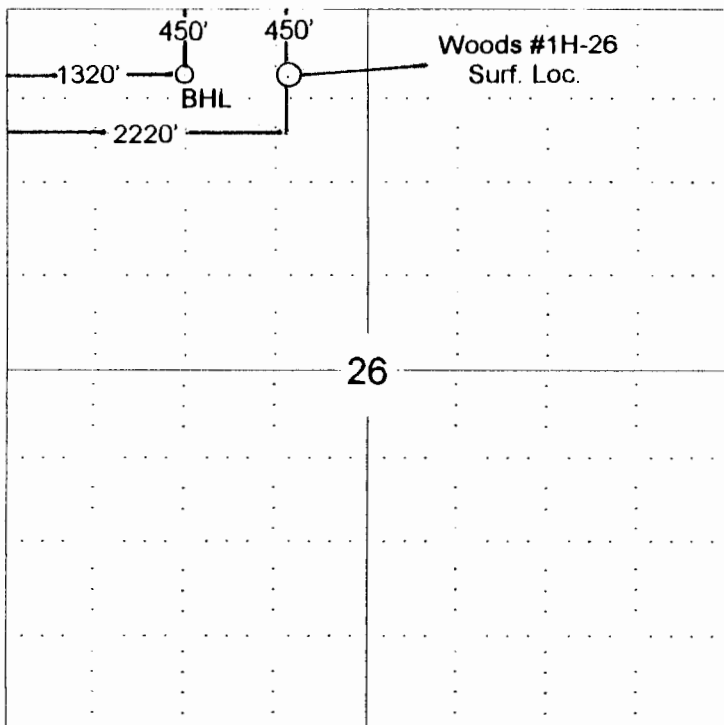
Number of Acres attributable to well: \_\_\_\_\_
QTR / QTR / QTR of acreage: NE - NE - NW

Is Section: 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 of the proposed drilling location from the section's south / north and east / west.
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; CG-8 for gas wells).