

CORRECTED

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NOV 28 2005

Form C-1

December 2002

Form must be Typed

Form must be Signed

All blanks must be Filled

For KCC Use:
Effective Date: 12.4.05
District # 1
SGA? Yes No

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL**

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

Expected Spud Date December 2005
month day year

OPERATOR: License# 33573
Name: Arena Resources, Inc.
Address: 4920 S Lewis, Ste 107
City/State/Zip: Tulsa, Ok 74105
Contact Person: Mike Barnhart
Phone: 918-747-6060

* CONTRACTOR: License# 5382 33375
Name: Cheyenne Drilling LP

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

* Contractor is: Lic: 33375

Spot _____ NW _____ NW Sec. 29 Twp. 27 S. R. 30 East West

660 feet from N / S Line of Section
660 feet from E / W Line of Section

Is SECTION Regular Irregular?

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

County: Gray

Lease Name: Schmidt Well #: 1-29

Field Name: _____

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Chase

Nearest Lease or unit boundary: 660

Ground Surface Elevation: 2815 Est. _____ 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: 500 500

Depth to bottom of usable water: 1000

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 550

Length of Conductor Pipe required: None

Projected Total Depth: 2800

Formation at Total Depth: Chase

Water Source for Drilling Operations: Well Farm Pond Other Water will be hauled.

DWR Permit #: _____

(Note: Apply for Permit with DWR)

Will Cores be taken? Yes No

If Yes, proposed zone: _____

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: 11-11-05 Signature of Operator or Agent: [Signature] Title: SECRETARY

For KCC Use ONLY
API # 15 - 069-20285-00.00
Conductor pipe required NONE feet
Minimum surface pipe required 520 feet per Alt. 2
Approved by: RJP 11-29-05 / RJP 12-27-05
This authorization expires: 5-29-06
(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: _____

29 27 30W