

For KCC Use:

Effective Date: 2-8-06

District # 4

SGA? ☐ Yes ☒ No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

Must be approved by the K.C.C. five (5) days prior to commencing well

Form C-1

December 2002

Form must be Typed

Form must be Signed

All blanks must be Filled

Expected Spud Date February 22 2006
month day year

OPERATOR: License # 3882

Name: SAMUEL GARY JR. & ASSOCIATES, INC.

Address: 1670 BROADWAY, SUITE 3300

City/State/Zip: DENVER, CO 80202

Contact Person: TOM FERTAL

Phone: (303) 831-4673

CONTRACTOR: License 33323

Name: PETROMARK DRILLING

Well Drilled For: ☒ Oil ☐ Enh Rec ☐ Gas ☐ Storage ☐ OWWO ☐ Disposal ☐ 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#: _____

*Unit info att

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, 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 a 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 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: February 1, 2006 Signature of Operator or Agent: Thomas H Fertal Title: SR. GEOLOGIST

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: _____

For KCC use ONLY

API # 15 - 009-24905-00-00

Conductor pipe required NONE feet

Minimum surface pipe required 400 feet per Alt. (1)

Approved by: RJPL-3-06

This authorization expires: 8-3-06

(This authorization void if drilling not started within 6 months of effective date.)

Spud date: _____ Agent: _____

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

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KANSAS CORPORATION COMMISSION

FEB 02 2006

CONSERVATION DIVISION
WICHITA, KS

10
16
11

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 ½ mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15 - _____

Location of Well: County: BARTONOperator: SAMUEL GARY JR & ASSOCIATES, INC._____ 2460 feet from ☐ N / ☒ S Line of SectionLease: REDETZKE FARMS_____ 1280 feet from ☒ E / ☐ W Line of SectionWell Number: 3-10Sec. 10 Twp. 16 S. R. 11 ☐ East ☒ WestField: WILDCATIs Section: ☒ Regular or ☐ Irregular

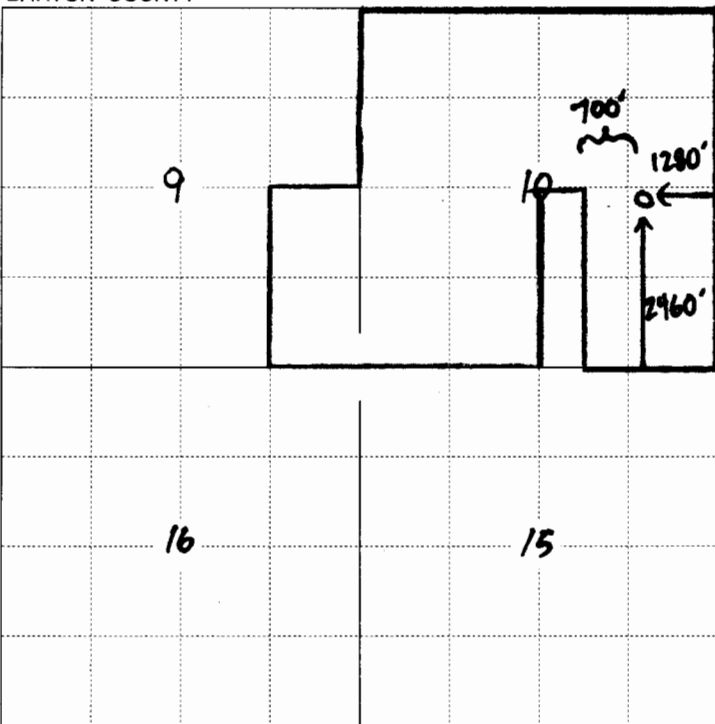
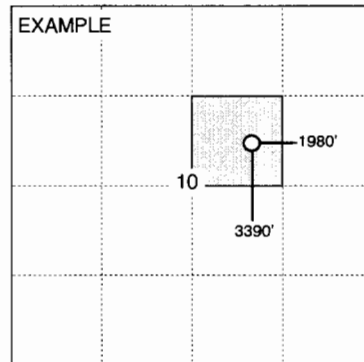
Number of Acres attributable to well: _____

If Section is Irregular, locate well from nearest corner boundary.

QTR / QTR / QTR of acreage: _____ - _____ - _____

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.)*

BARTON COUNTY

R11W*100' to nearest lease boundary.*

SEWARD CO.

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WICHITA, KS****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).