

For KCC Use: Effective Date: 3-7-06 District # 4 SGA? Yes No

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

Form C-1 September 1999 Form must be Typed Form must be Signed All blanks must be Filled

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

Expected Spud Date March 13 2006 month day year

Spot East West SE SE NE Sec. 5 Twp. 7 S. R. 39

OPERATOR: License# 33019 Name: Rosewood Resources, Inc. Address: 2711 N. Haskell Ave. - Suite 2800, LB #22 City/State/Zip: Dallas, Texas 75204 Contact Person: Tina Morrison Phone: 214-756-6626

2230 feet from S N (circle one) Line of Section 343 feet from E W (circle one) Line of Section Is SECTION Regular Irregular?

CONTRACTOR: License# 33532 Name: Advanced Drilling Technologies LLC

(Note: Locate well on the Section Plat on reverse side) County: Sherman Lease Name: Homestead Well #: 42-5 Field Name: Goodland

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

Is this a Prorated / Spaced Field? Yes No Target Formation(s): Niobrara Nearest Lease or unit boundary: 343'

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

Ground Surface Elevation: 3592.2 feet MSL Water well within one-quarter mile: Yes No Public water supply well within one mile: Yes No

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

Depth to bottom of fresh water: 297' 300' Depth to bottom of usable water: 287' 350' Surface Pipe by Alternate: xxx 1 2

Length of Surface Pipe Planned to be set: 350' Length of Conductor Pipe required: None Projected Total Depth: 1500' Formation at Total Depth: Niobrara

Water Source for Drilling Operations: Well Farm Pond Other xxx 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. 55-101, It is agreed that the following minimum requirements will be met:

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- 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. In all cases, NOTIFY district office prior to any cementing.

CONSERVATION DIVISION WICHITA, KS

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

Date: February 27, 2006 Signature of Operator or Agent: Tina Morrison Title: Land Administrator

For KCC Use ONLY API # 15 - 181-20422-00-00 Conductor pipe required NONE feet Minimum surface pipe required 350 feet per Alt. 1 X Approved by: DPW 3-2-06 This authorization expires: 9-2-06 (This authorization void if drilling not started within 6 months of effective 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.

5 7 396

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: Rosewood Resources, Inc.
 Lease: Homestead
 Well Number: 42-5
 Field: Goodland
 Number of Acres attributable to well: 160
 QTR / QTR / QTR of acreage: SE - SE - NE

Location of Well: County: Sherman
2230 feet from S (N) (circle one) Line of Section
343 feet from (E) W (circle one) Line of Section
 Sec. 5 Twp. 7 S. R. 39 East West

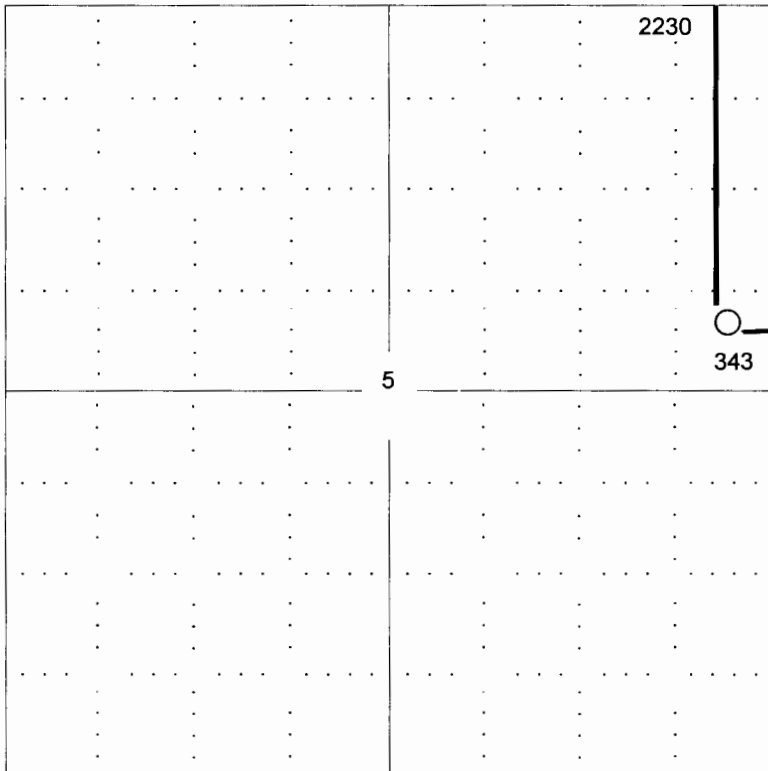
Is Section Regular or Irregular

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

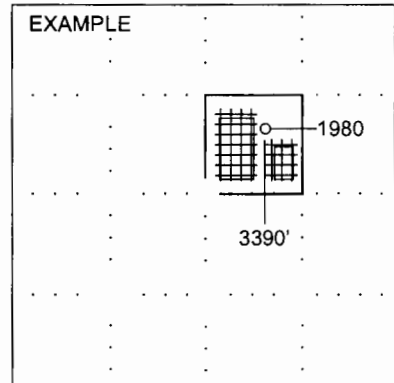
Section corner used: NE NW SE SW

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.)*



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SEWARD CO.

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

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).