

For KCC Use:
 Effective Date: 3-7-06
 District #: 24
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

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

NOTICE OF INTENT TO DRILL

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

Expected Spud Date March 13 2006
month day year

Spot A. p. 1/2 NE SW SE Sec. 12 Twp. 7 S. R. 39 East West

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

998 feet from S N (circle one) Line of Section
1716 feet from E W (circle one) Line of Section
 Is SECTION Regular Irregular?

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

County: Sherman
 Lease Name: Schmedemann Well #: 34-12
 Field Name: Goodland

CONTRACTOR: License# 33532
 Name: Advanced Drilling Technologies LLC

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Niobrara

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

Nearest Lease or unit boundary: 933'
 Ground Surface Elevation: 3541 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: ~~207~~ 300'
 Depth to bottom of usable water: ~~207~~ 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: _____

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 #: _____

AFFIDAVIT

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 FEB 28 2006

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:

CONSERVATION DIVISION
 WICHITA, KS

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.

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 - 181-20421-00-00
 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.

12
7
39w.

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: Schmedemann
 Well Number: 34-12
 Field: Goodland
 Number of Acres attributable to well: 160
 QTR / QTR / QTR of acreage: NE - SW - SE

Location of Well: County: Sherman
 998 _____ feet from S / N (circle one) Line of Section
 1716 _____ feet from E / W (circle one) Line of Section
 Sec. 12 Twp. 7 S. R. 39 East West

Is Section Regular or _____ Irregular

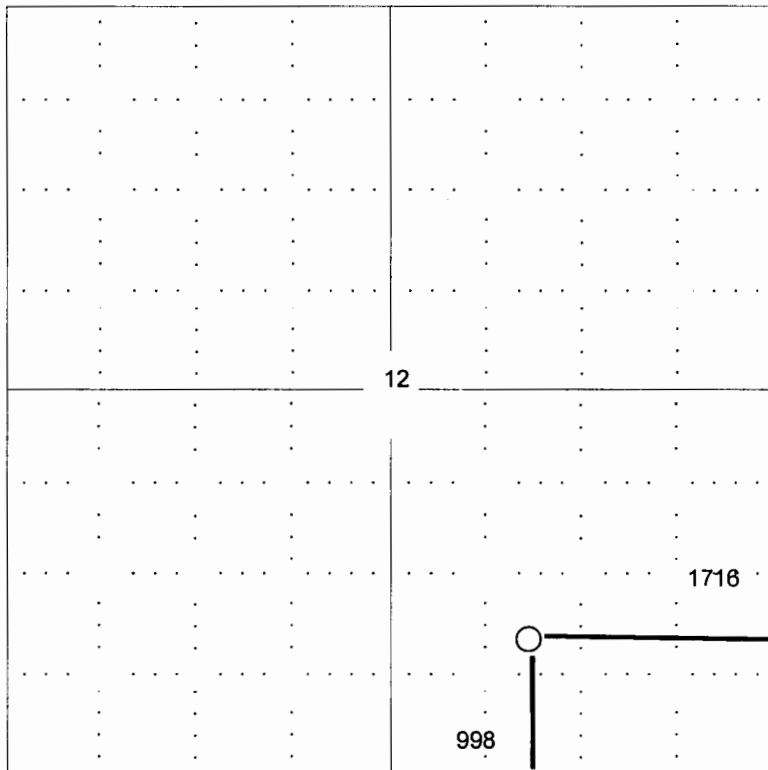
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: ___ NE ___ NW ___ SE ___ SW

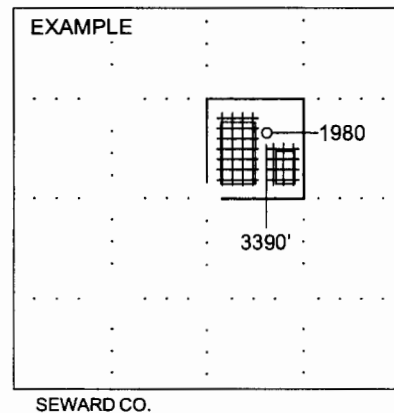
PLAT

(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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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).