

For KCC Use: 521-06
 Effective Date: 521-06
 District #: 3
 SGA? Yes No

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

***CORRECTED** Form C-1
 Design 2002
 Form must be Signed
 All blanks must be Filled

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

Expected Spud Date May 23, 2006
 month day year

OPERATOR: License# 33074
 Name: Dart Cherokee Basin Operating Co. LLC
 Address: 211 W. Myrtle
 City/State/Zip: Independence KS 67301
 Contact Person: Tony Williams
 Phone: 620-331-7870

CONTRACTOR: License# Unknown
 Name: Will advise of licensed contractor on ACO-1

| | | |
|--|-----------------------------------|---|
| Well Drilled For: | Well Class: | Type Equipment: |
| <input type="checkbox"/> Oil | <input type="checkbox"/> Enh Rec | <input type="checkbox"/> Infield |
| <input checked="" type="checkbox"/> Gas | <input type="checkbox"/> Storage | <input checked="" 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"/> Cable |
| <input type="checkbox"/> Other | | |

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 #: _____

* WAS: API # 15-121-31075-0000
 IS: API # 15-125-31075-0000

Spot NE SW SE Sec. 7 Twp. 33 S. R. 15E East West
700 FSL feet from N / S Line of Section
1495 FEL feet from E / W Line of Section
 Is SECTION Regular Irregular?

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

County: Montgomery
 Lease Name: Gay et al Well #: D3-7
 Field Name: Cherokee Basin Coal Gas Area

Is this a Prorated / Spaced Field? Yes No

Target Information(s): Mississippian

Nearest Lease or unit boundary: 700 feet

Ground Surface Elevation: 851 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: 125' + -

Depth to bottom of usable water: 175'

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 40'

Length of Conductor Pipe required: _____

Projected Total Depth: 1611 feet

Formation at Total Depth: Mississippian

Water Source for Drilling Operations: Well Farm Pond Other _____

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: May 12, 2006 Signature of Operator or Agent: Tony Williams Title: Sr Regulatory & Safety Compliance Specialist

For KCC Use ONLY
 * API # 15 - 125-31075-0000
 Conductor pipe required None feet
 Minimum surface pipe required 20 feet per Alt. **XO 2**
 Approved by: Rat 5-16-06/Rat 5-17-06
 This authorization expires: 11-16-06
 (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.
- 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: _____

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

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 MAY 15 2006
 KCC WICHITA

7
 33
 15E

copy

Side Two

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

***CORRECTED**
API #

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 - 12531075-0000
Operator: Dart Cherokee Basin Operating Co. LLC
Lease: Gay et al
Well Number: D3-7
Field: Cherokee Basin Coal Gas Area
Number of Acres attributable to well: 40
QTR / QTR / QTR of acreage: NE - SW - SE

Location of Well: County: Montgomery
700 FSL feet from N / S Line of Section
1495 FEL feet from E / W Line of Section
Sec. 7 Twp. 33 S. R. 15E East West

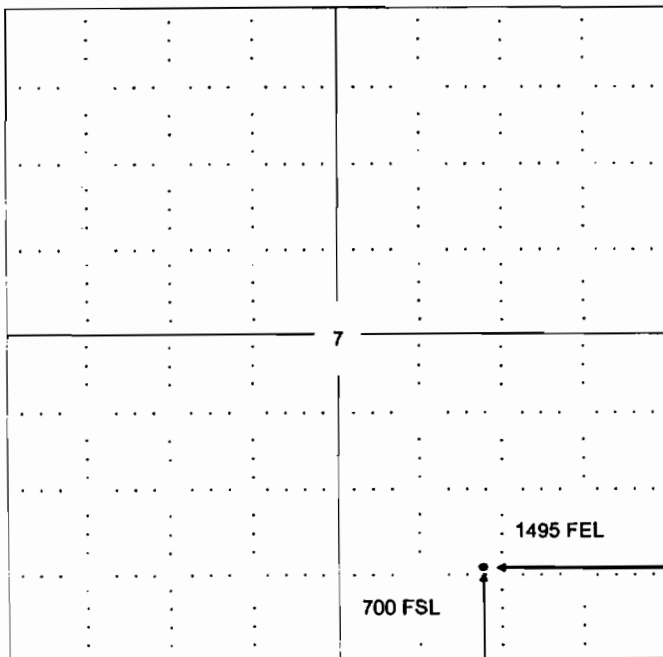
Is Section: Regular or Irregular

If Section is Irregular, locate well from nearest corner boundary.
Section corner used: NE NW SE SW

PLAT

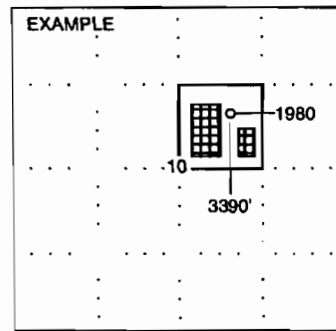
*(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)*

T33S



R15E

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SEWARD CO.

Montgomery Co.

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).