RECEIVED KANSAS CORPORATION COMMISSION

| For KCC Use: | 5-27-06 |
|-----------------|-----------|
| Effective Date: | 3 2 7 0 7 |
| District # | 3 |
| SCA2 DK | s |

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

MAY 2 2 2006

Form C-1

NOTICE OF INTENT TO DRILL

December 2002

CONSERVATION DIVISION must be Typed
CONSERVATION DIVISION must be Signed

| 2 | (5) days prior to commencing well |
|---|--|
| May 31, 2006 | |
| Expected Spud Date May 31, 2006 | Spot ✓ East |
| <i>,</i> | SW - NE - SW Sec. 7 Twp. 32 S. R. 16E West |
| OPERATOR: License#_33074 V | 1780 FSL feet from N / S Line of Section |
| Name: Dart Cherokee Basin Operating Co. LLC | Teet from ✓ E / W Line of Section |
| Address: 211 W. Myrtle | Is SECTIONRegular rregular? |
| City/State/Zip: Independence KS 67301 | (Note: Locate well on the Section Plat on reverse side) |
| Contact Person: Tony Williams | County: Montgomery |
| Phone: 620-331-7870 | Lease Name: Uitts Well #: C2-7 |
| CONTRACTOR: License#_Unknown | Field Name: Cherokee Basin Coal Gas Area |
| Name: Will advise of licensed contractor on ACO-1 | Is this a Prorated / Spaced Field? Yes ✓ No |
| Hallic, | Target Information(s): Mississippian |
| Well Drilled For: Well Class: Type Equipment: | Nearest Lease or unit boundary: 410 feet |
| Oil Enh Rec Infield Mud Rotary | Ground Surface Elevation: 787feet MSL |
| Gas Storage Pool Ext. Air Rotary | Water well within one-quarter mile: ✓ Yes No |
| OWWO Disposal Wildcat Cable | Public water supply well within one mile: |
| Seismic;# of Holes Other | Depth to bottom of fresh water: 135' + - |
| Other | Depth to bottom of usable water: |
| _ | Surface Pipe by Alternate: 1 2 2 |
| If OWWO: old well information as follows: | Length of Surface Pipe Planned to be set: 40' |
| Operator: | Length of Conductor Pipe required: |
| Well Name: | Formation at Total Depth: Mississippian |
| Original Completion Date:Original Total Depth: | Water Source for Drilling Operations: |
| Directional, Deviated or Horizontal wellbore? Yes ✓ No | Waler source for Drining Operations. Well Farm Pond Other |
| If Yes, true vertical depth: | DWR Permit #: |
| Bottom Hole Location: | (Note: Apply for Permit with DWR) |
| KCC DKT #: | Will Cores be taken? Yes ✓ No |
| | If Yes, proposed zone: |
| | |
| | DAVIT |
| The undersigned hereby affirms that the drilling, completion and eventual pl | ugging of this well will comply with K.S.A. 55 et. seq. |
| It is agreed that the following minimum requirements will be met: | |
| Notify the appropriate district office <i>prior</i> to spudding of well; | ala dallita a stat |
| 2. A copy of the approved notice of intent to drill shall be posted on each 3. The minimum amount of surface pine as specified below shall be set | on drilling rig; If the top in all cases surface pipe shall be set |
| through all unconsolidated materials plus a minimum of 20 feet into the | |
| · · · · · · · · · · · · · · · · · · · | istrict office on plug length and placement is necessary prior to plugging; |
| 5. The appropriate district office will be notified before well is either plug | ged or production casing is cemented in; |
| | ed from below any usable water to surface within 120 days of spud date. |
| | #133,891-C, which applies to the KCC District 3 area, alternate II cementing be plugged. <i>In all cases, NOTIFY district office</i> prior to any cementing. |
| • | , , , |
| I hereby certify that the statements made herein are true and to the best of | my knowledge and belier. |
| Date: May 19, 2006 Signature of Operator or Agent: | Title: Sr Regulatory & Safety Compliance Specialist |
| Date: dignature of operation of Agent. | |
| | Remember to: |
| For KCC Use ONLY | - File Drill Pit Application (form CDP-1) with Intent to Drill; |
| API # 15 - 125-3/099-0000 | - File Completion Form ACO-1 within 120 days of spud date; - File acreage attribution plat according to field proration orders: - V |
| Conductor pipe required Hone feet | File acreage attribution plat according to field proration orders; Notify appropriate district office 48 hours prior to workover or re-entry; |
| Minimum surface pipe required 20 feet per Alt. (2) | - Submit plugging report (CP-4) after plugging is completed; |
| Approved by: 2++ 5-23-06 | - Obtain written approval before disposing or injecting salt water. |
| 1/-23-016 | water and the state of the stat |
| I his authorization expires: | check the box below and return to the address b elow. |
| (This authorization void if drilling not started within 6 months of effective date.) | Well Not Drilled - Permit Expired |
| Spud date: Agent: | Signature of Operator or Agent: |
| | Date: |
| Mail to: KCC - Concernation Division 420.6 | Market - Boom 2079 Wighlite Kanage 67202 |

MAY 2 2 2006

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Side Two

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

CONSERVATION DIVISION WICHITA, KS

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 - 125 | - 31099- | -0000 | | Location of Well: County: Montgomery | | |
|--|----------|-------|--|--|--|--|
| Operator: Dart Cherokee Basin Operating Co. LLC Lease: Uitts Well Number: C2-7 Field: Cherokee Basin Coal Gas Area | | | | 1780 FSL feet from N / S Line of Section | | |
| | | | | 3550 FEL feet from F E / W Line of Section | | |
| | | | | Sec. 7 Twp. 32 S. R. 16E | | |
| | | | | | | |
| | | | | Is Section: ✓ Regular or ☐ Irregular | | |
| Number of Acres at | | | CW | | | |
| QTR / QTR of acreage: SW - NE - SW | | | If Section is Irregular, locate well from nearest corner boundary. | | | |
| | | | | Section corner used: NE NW SE SW | | |
| | | | | Coolin College access The Title Total College | | |
| | (Show | (Show | well and shade attri | PLAT ibutable acreage for prorated or spaced wells.) est lease or unit boundary line.) | | |
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| | | 1 | · · 3550 FEL | 3390, | | |
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| | | . · | | | | |
| | 1780 FSL | | | | | |

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

Montgomery Co.

SEWARD CO.

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: (C0-7 for oil wells; CG-8 for gas wells).

RECEIVED KANSAS CORPORATION COMMISSION

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

MAY 2 2 2006

Form CDP-1

April 2004
Form must be Typed

APPLICATION FOR SURFACE PIT

CONSERVATION DIVISION WICHITA, KS

Submit in Duplicate

| F | | | | | | |
|---|-----------------------------|---|---|--|--|--|
| Operator Name: Dart Cherokee Basin Operating Co. LLC | | | License Number: 33074 | | | |
| Operator Address: 211 W. Myrtle | | ependence KS 67301 | | | | |
| Contact Person: Tony Williams | | | Phone Number: (620) 331 - 7870 | | | |
| Lease Name & Well No.: Uitts | C | 2-7 | Pit Location (QQQQ): | | | |
| Type of Pit: | Pit is: | | <u>SWNESW</u> | | | |
| Emergency Pit Bum Pit | ✓ Proposed | | Sec. 7 Twp. 32 R. 16E | | | |
| Settling Pit | If Existing, date of | onstructed: | 1780 FSL Feet from North / ✓ South Line of Section | | | |
| ☐ Workover Pit ☐ Haul-Off Pit | Pit capacity: | | 3550 FEL Feet from 🗸 East / West Line of Section | | | |
| (If WP Supply API No. or Year Drilled) | 926 | (bbls) | Montgomery County | | | |
| Is the pit located in a Sensitive Ground Water | Area? Yes | No | Chloride concentration: mg/l | | | |
| | , | | (For Emergency Pits and Settling Pits only) | | | |
| Is the bottom below ground level? ✓ Yes No | Artificial Liner? ☐ Yes ✓ | No | How is the pit lined if a plastic liner is not used? Natural Clays | | | |
| Pit dimensions (all but working pits): | 5 Longth (fa | 30 | Width (feet) N/A: Steel Pits | | | |
| | om ground level to de | _ | (feet) | | | |
| material, thickness and installation procedure. liner integrity, including any special monitoring. | | | | | | |
| Distance to nearest water well within one-mile | | Source of infor | west fresh waterfeet. / mation: | | | |
| Emergency, Settling and Burn Pits ONLY: | | | over and Haul-Off Pits ONLY: | | | |
| Producing Formation: | | Type of material utilized in drilling/workover: Air | | | | |
| Number of producing wells on lease: | | Number of working pits to be utilized: One | | | | |
| Barrels of fluid produced daily: | | Abandonment | procedure: Air dry, fill | | | |
| Does the slope from the tank battery allow all flow into the pi:? Yes No | spilled fluids to | Drill pits must be closed within 365 days of spud date. | | | | |
| I hareby certify that the above statements are true and correct to the best of my knowledge and belief. | | | | | | |
| May 19, 2006 Date | | Jony (// | ignature of Applicant or Agent | | | |
| KCC OFFICE USE ONLY | | | | | | |
| Date Receivec: 5/22/06 Permit Number: Permit Date: 5/22/06 Lease Inspection: Yes No | | | | | | |