

"Revised" MAY 22 2006

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MAY 18 2006

Form C-1 December 2002

For KCC Use: Effective Date: 5-23-06 District # 2 SGA? Yes No

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

KCC WICHITA 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 May 25, 2006 month day year

OPERATOR: License# 5192 Name: Shawmar Oil & Gas Company, Inc. Address: PO Box 9 City/State/Zip: Marion, KS 66861 Contact Person: Beau J. Cloutier Phone: 620-382-2932

CONTRACTOR: License# 32548 Name: Kan-Drill, Inc.

Spot NW SW SW/4 Sec. 17 Twp. 19 S. R. 6 East West *750 Rev. 735 feet from N S Line of Section 330 feet from E W Line of Section Is SECTION Regular Irregular?

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

County: Chase Lease Name: OBORNY Well #: 1 Field Name: Koegeboehn

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

Nearest Lease or unit boundary: 330

* Ground Surface Elevation: 1411 Revised: 1421 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: 150'

Depth to bottom of usable water: 180'

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 200'

Length of Conductor Pipe required: none

Projected Total Depth: 2200

Formation at Total Depth: Viola

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:

Well Drilled For: Oil Gas OAWO Seismic; # of Holes Other Well Class: Enh Rec Storage Disposal 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 #:

* WAS: 750 FSL Elev. 1411

IS: 735 FSL Elev. 1421

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 17, 2006 Signature of Operator or Agent: Title: Vice-President

For KCC Use ONLY AP# 15 - 017-20884-0000 Conductor pipe required None feet Minimum surface pipe required 200 feet per Alt. 1X Approved by: [Signature] This authorization expires: 11-18-06 (This authorization void if drilling not started within 6 months of approval 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:

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

RECEIVED MAY 23 2006 KCC WICHITA

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