

For KCC Use: 8-14-06
Effective Date: 8-14-06
District #: 3
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form C-1
December 2002
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 September 15, 2006
month day year

Spot East West
C NE Sec. 23 Twp. 32 S. R. 18
1320 feet from N / S Line of Section
1320 feet from E / W Line of Section
Is SECTION Regular Irregular?

OPERATOR: License# 33515
Name: Double Eagle Resources, LLC
Address: 507 S 14th St.
City/State/Zip: Fort Smith, AR 72901
Contact Person: Jeff Hudson
Phone: 820-779-1679

(Note: Locate well on the Section Plat on reverse side)
County: Labette
Lease Name: Lester Myers Well #: DER-1
Field Name: Cherokee Basin Coals

CONTRACTOR: License# Will be licensed by KCC
Name: Will advise on ACO-1

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

Well Drilled For: Oil Enh Rec Infield Mud Rotary
 Gas Storage Pool Ext. Air Rotary
 OWWO Disposal Wildcat Cable
Seismic; # of Holes Other

Nearest Lease or unit boundary: 660
Ground Surface Elevation: 900 (Topo est) feet MSL

Water well within one-quarter mile: Yes No
Public water supply well within one mile: Yes No

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

Depth to bottom of fresh water: 100
Depth to bottom of usable water: 200

Directional, Deviated or Horizontal wellbore? Yes No

Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 25

If Yes, true vertical depth:

Length of Conductor Pipe required: None
Projected Total Depth: 1200

Bottom Hole Location:

Formation at Total Depth: Mississippian
Water Source for Drilling Operations:
 Well Farm Pond Other Air

KCC DKT #:

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: 7/25/06 Signature of Operator or Agent: Jeff Hudson Title: COO

For KCC Use ONLY
API # 15 - 099-24058-0000
Conductor pipe required None feet
Minimum surface pipe required 20 feet per Alt. YC 2
Approved by: RH 8-9-06
This authorization expires: 2-9-07
(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
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JUL 27 2006
KCC WICHITA

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

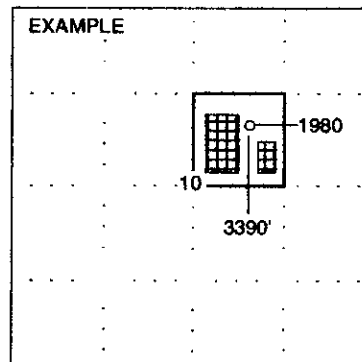
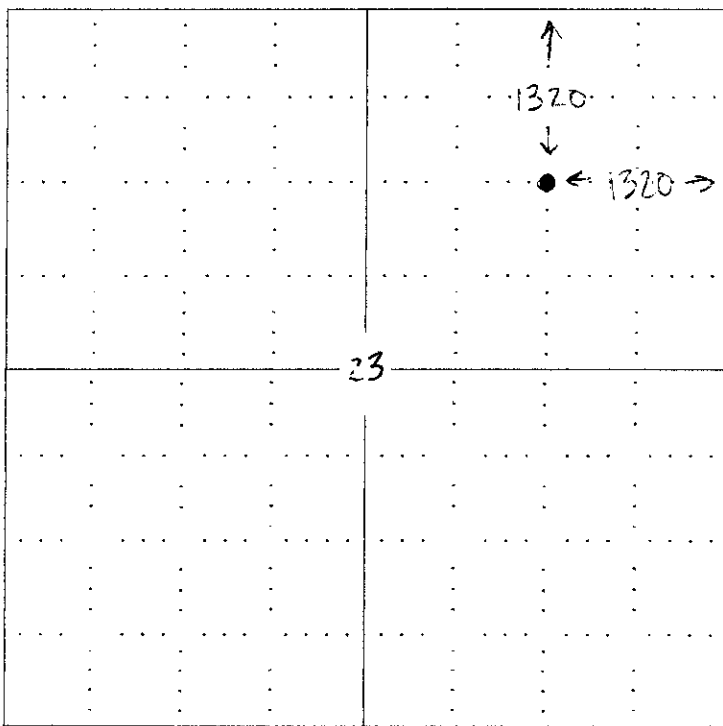
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 - 099-24058-0000
 Operator: Double Eagle Resources, LLC
 Lease: Lester Myers
 Well Number: DER-1
 Field: Cherokee Basin Coals
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: _____ - _____ - _____ NE

Location of Well: County: Labette
 1320 _____ feet from N / S Line of Section
 1320 _____ feet from E / W Line of Section
 Sec. 23 Twp. 32 S. R. 18 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.)*



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

In plotting the proposed location of the well, you must show:

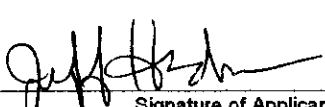
1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section's south / north and east / west.
3. The distance to the nearest lease or unit 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).

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 KCC WICHITA

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT**

Form CDP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: Double Eagle Resources, LLC		License Number: 33515
Operator Address: 507 S 14th St Fort Smith, AR 72901		
Contact Person: Jeff Hudson		Phone Number: (620) 779 - 1679
Lease Name & Well No.: Lester Myers DER-1		Pit Location (QQQQ): C. NE ✓
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	Sec. <u>23</u> Twp. <u>32</u> R. <u>18</u> <input checked="" type="checkbox"/> East <input type="checkbox"/> West 1320 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 1320 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Labette _____ County
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No ✓		Chloride concentration: _____ mg/l <small>(For Emergency Pits and Settling Pits only)</small>
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used?
Pit dimensions (all but working pits): <u>30</u> Length (feet) <u>35</u> Width (feet) _____ N/A: Steel Pits Depth from ground level to deepest point: <u>5</u> (feet)		
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.
Distance to nearest water well within one-mile of pit <u>Unknown</u> feet Depth of water well <u>NA</u> feet	Depth to shallowest fresh water <u>Unknown</u> feet. Source of information: _____ _____ measured _____ well owner _____ electric log _____ KDWR	<i>MA</i>
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No	Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: <u>Air</u> Number of working pits to be utilized: <u>One</u> Abandonment procedure: <u>Re-cover</u> _____ Drill pits must be closed within 365 days of spud date.	
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.		
<u>7/25/06</u> Date	 Signature of Applicant or Agent	

KCC 15-099-24058-0000

KCC OFFICE USE ONLY			
Date Received: <u>7/27/06</u>	Permit Number: _____	Permit Date: <u>8/9/06</u>	Lease Inspection: <input type="checkbox"/> Yes <input type="checkbox"/> No

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

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