

2nd CORR

For KCC Use
Effective Date: 10-28-06
District # 3
BGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form C-1
December 2002
Form must be Typed
Form must be Signed
Form must be Filled

NOTICE OF INTENT TO DRILL

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

CORRECTED

CORRECTED

Expected Spud Date October 28, 2006
month day year ***

Spot SE East
W2 SW SE SR Sec. 3 Twp. 33 S. R. 13 West
330 feet from N / S Line of Section
400 feet from E / W Line of Section
Is SECTION Regular Irregular?

OPERATOR: Licensee 3228 ✓
Name: Fred Olsen, N. dan Sabino Operating Services, Inc.
Address: 685 N. Hill Street, Suite 203
City/State/Zip: Lewistown, Texas 79857
Contact Person: Fred Olsen
Phone: (972) 219-6886

(Note: Locate well on the Section Plat on reverse side)
County: Cherokee
Lease Name: Cowboy Well #: 7.05
Field Name: Freder North
Is this a Pooled / Spaced Field? Yes No
Target Formation(s): Water
Nearest Lease or unit boundary: 330 feet MBL

CONTRACTOR: Licensee 38734 ✓
Name: HAT Drilling

Ground Surface Elevation: 811 feet MBL
Water well within one-quarter mile: Yes No
Public water supply well within one mile: Yes No
Depth to bottom of fresh water: 100'
Depth to bottom of usable water: 325'

Well Drilled For: Oil Gas CWSD Solenoid Other
Well Class: Est. Pile Storage Disposal Other
Type Equipment: Mud Rotary Air Rotary Cable

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

Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 60'
Length of Conductor Pipe required: none
Projected Total Depth: 1,100'
Formation at Total Depth: water
Water Source for Drilling Operations:
 Well Farm Pond Other

Directional, Deviated or Horizontal wellbores? Yes No
If Yes, true vertical depth: _____
Bottom Hole Location: _____
KCC DRY #: _____

DWR Permit #: _____
(Note: Apply for Permit with DWR) No
Will Cores be taken? Yes No
If Yes, proposed zone: _____

WAS: W2 NENE 320FNL 400FEL
IS: W2SESESE 330FSL 400FEL 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: 2nd WAS NENE 320FNL 400FEL
1st WAS W2SESESE 330FSL 400FEL
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 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 cementing;
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: October 23, 2006 Signature of Operator or Agent: [Signature] Title: Agent

For KCC Use ONLY
API # 15 - OP-26773-0000
Conductor pipe required: NONE feet
Minimum surface pipe required: 40 feet per Alt. X 2
Approved by: [Signature] 10-23-06 / [Signature] 11-20-06 / [Signature] 11-22-06
This authorization expires: 4-23-07
(This authorization valid 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 DWR;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage utilization plat according to field operation 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 displacing 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, 138 S. Market - Room 2676, Wichita, Kansas 67202

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NOV 20 2006
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