

Expiration Date
CORRECTED

For KCC Use:
Effective Date: 11-26-06
District # 1
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 November 25 2006
month day year

Spot East
W/2 NW SW Sec. 3 Twp. 16 S. R. 25 West

OPERATOR: License# 5363
Name: Berexco Inc.
Address: P.O. Box 20380
City/State/Zip: Wichita, KS 67208
Contact Person: Jeremy Ens
Phone: (316) 265-3311

1980 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)

CONTRACTOR: License# 5147
Name: Beredco Inc.

County: Ness
Lease Name: Harold Well #: 4
Field Name: Ness-T

Well Drilled For: Oil Gas OWWO Seismic; # of Holes Other
Well Class: Infield Pool Ext. Wildcat Other
Type Equipment: Mud Rotary Air Rotary Cable

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Mississippi
Nearest Lease or unit boundary: 330'

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

Ground Surface Elevation: 2550 feet MSL
Water well within one-quarter mile: Yes No
Public water supply well within one mile: Yes No

Directional, Deviated or Horizontal wellbore? Yes No

Depth to bottom of fresh water: 200
Depth to bottom of usable water: 900
Surface Pipe by Alternate: 1 2

If Yes, true vertical depth: _____
Bottom Hole Location: _____
KCC DKT #: _____

Length of Surface Pipe Planned to be set: 250'
Length of Conductor Pipe required: N/A
Projected Total Depth: 4550

Formation at Total Depth: Mississippi
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

RECEIVED

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-1101. It is agreed that the following minimum requirements will be met:

KANSAS CORPORATION COMMISSION

NOV 20 2006

CONSERVATION DIVISION
WICHITA, KS

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 cemented 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: 11/20/06 Signature of Operator or Agent: [Signature] Title: District Engineer

For KCC Use ONLY
API # 15 - 135-24576-0000
Conductor pipe required NONE feet
Minimum surface pipe required 220 feet per Alt. X 2
Approved by: WJH 11-21-06 / Reat 11-27-06
* This authorization expires: 5-21-07
(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

* WAS: Authorization expires 5-21-06
IS: " " 5-21-07

3
165
25W