For KCC Use: Effective Date:	12-19-06
District #	

KANSAS CORPORATION COMMISSION Oil & Gas Conservation Division

December 2002 Form must be Typed Form must be Signed

NOTICE OF INTENT TO DRILL

Expected Spud Date	1	11 07	Spot X Es	est
Experieu opou Delo	month	day year	SW. NW. NW Sec. 18 Two. 16 S.R. 25 W.	
	33677		990 feet from XN / S Line of Section	
OPERATOR: License# Canary C	Operating Corp	oration	330 feet from E / X W Line of Section	
Name: 7230 W. 162			is SECTION X Regular Irregular?	
City/State/Zip: Stilwell,	KS 66085		(Note: Locate well on the Section Plat on reverse side)	
Contact Person: Steve	Allee		County: Miami	
Phone: 913-239-	-8960	/	Lease Name: Deer Well #: 9-18-16	-25
			Field Name: Louisburg	_
CONTRACTON: LICERSEN -			te this a Prorated / Specod Field?	No
Name: RLC Drilling	g, «r		Target Formation(s): Marmaton & Cherokee Coals	
Well Drilled For:	Well Class:	Type Equipment:	Nearest Lease or unit boundary: 330	
Oil / Enh Re		Mud Rotery	Ground Surface Elevation: 1029 (Est. from Topo) feet M	
X Gas Storage	james 1	<u> </u>	Water well within one-quarter mile:	_
OWND Dispose		Cable	Public water supply well within one mile: Yes X Yes X Yes X	No
Seismic: # of I			Depts to postoni or meen water	
Other			Depas to posturi or obstate weeks.	_
L			Surface Pipe by Alternate: 1 X 2	
tt OWWO: old welt informet	ition as follows:		Length of Surface Pipe Planned to be set	
	· · · · · · · · · · · · · · · · · · ·		Projected Total Depth: 700'	_
Well Name:			Formation at Total Depth: Cherokee	
Original Completion De	#e:O	riginal Total Depth:	Water Source for Drilling Operations:	
Directional, Deviated or Ho	rizontal wellbore?	Yes X No	Well Farm Pond Other X	
If Yes, true vertical depth:			DWR Permit #:	
Bottom Hole Location:			(Note: Apply for Permit with DWR	
KCC DVT 4.			and the second s	
NOO UNI FI			Will Cores be taken?	No
NOO UNT #:			Will Cores be taken? Yes X	No
		AF	If Yes, proposed zone:	No
	affirms that the drilli	AF	If Yes, proposed zone:	No
The undersigned hereby a It is agreed that the follows 1. Nollfy the appropriat 2. A copy of the appropriat 3. The minimum amousthrough all unconsol 4. If the well is dry hol 5. The appropriate dist 6. If an ALTERNATE II Or oursuant to Appo	affirms that the dritting minimum requisite district office private notice of intentiant of surface pipe slidated materials ples, an agreement but office will be not ICOMPLETION, prendix "8" - Eastern	AFing, completion and eventual rements will be met: for to spudding of well; t to drill shall be posted on e as specified below shall be a minimum of 20 feet into setween the operator and the otified before well is either peroduction pipe shall be cerne to Kansas surface casing order.	If Yes, proposed zone:	
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The undersigned hereby a it is agreed that the following a greed that the following a copy of the appropriation of the well is dry holds. The appropriate dist is an ALTERNATE if Or pursuant to Approved the completed. I hereby certify that the standard and the completed. For KCC Use ONLY API # 15 - 12 - 2 Conductor pipe required. Minimum surface pipe reapproved by: Refer to the suffer surface pipe reapproved by: Refer to the surface pipe reapproved by: Refer t	infirms that the drilling minimum requirate district office privad notice of intention of surface pipe slidated materials plate, an agreement birtict office will be not completion, prendix "B" - Eastern within 30 days of that the signature of Open Signature of Ope	ing, completion and eventual rements will be met: for to spudding of well; it to drill shall be posted on e as specified below shall be as specified below shall be lius a minimum of 20 feet into etween the operator and the optified before well is either pit roduction pipe shall be came a Kansas surface casing orde he spud date or the well shall rein are true and to the best perator or Agent: For Canary Op	FIDAVIT plugging of this well will comply with K.S.A. 55 et. seq. ach drilling rig; but by circulating cement to the top; in all cases surface pipe ahali be not the underlying formation. district office on plug length and placement is necessary prior to plugging ugged or production casing is cemented in; nied from below any usable water to surface within 120 days of spud date. If #133,891-C, which applies to the KCC District 3 area, alternate II cement if be plugged. In all cases, NOTIFY district office prior to any cementing. of my knowledge and bales. Title: File Drill Pit Application (form CDP-1) with Intent to Drill; 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.	
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Mail to: KCC - Conservation Division, 130 S. Merket - Floore 2076, Wichitz, Kenses 67202

RECEIVED DEC 14 2008 KCC WICHITA

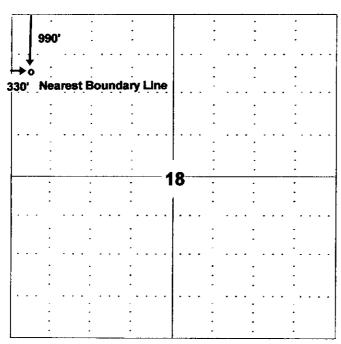
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

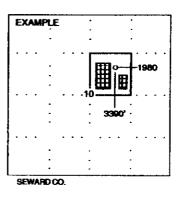
Plat of acreage attributable to a well in a prorated or spaced field

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 - 121-28329-0000	Location of Well: County: Miami
Operator: Canary Operating Corporation	990 feet from XN / S Line of Section
Lease: Deer	990 feet from X N / S Une of Section 330 feet from E / X W Line of Section
Well Number: 9-18-16-25	Sec. 18 Twp. 16 S. R. 25 X East West
Field: Louisburg	
Number of Acres attributable to well:	Is Section: X Regular or I Irregular
QTR / QTR / QTR of acreage:	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 loctage to the nearest lease or unit boundary line.)





Miami Co.

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

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

- 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.
- 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
DEC 14 2008
KCC WICHITA

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form CDP-1 April 2004 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: Canary Operating Corporation			License Number: 33677	
Operator Address: 7230 W. 162nd Stre	et, Suite A, Stil	well, KS 6608	5	
Contact Person: Steve Allee			Phone Number: (913) 239 - 8960	
Lease Name & Well No.: Deer #9-18-16-25			Pit Locotion (QQQQ):	
Type of Pit:	Pit is:			
Emergency Pit Burn Pit	X Proposed Existing		Sec. 18 Twp. 16 R. 25 X East West	
Settling Pit X Drilling Pit Workover Pit Heul-Off Pit	If Existing, date constructed: Plt capacity: 150+/- (bbis)		990 Feet from X North / South Line of Section	
(If WP Supply API No. or Your Drilled)			Feet from East / West Line of Section County	
Is the pit located in a Sensitive Ground Water	Area? Yes 2	(No	Chloride concentration: NA mg/l (For Emergency Pits and Setting Pits only)	
Is the bottom below ground level?	Artificial Liner?		How is the pit lined if a plastic liner is not used?	
X Yes No	Yes X	No	Native clay(s) in soil	
Pit dimensions (all but working pits):2	O Longth (fe	e) <u>8</u>		
Depth fo	om ground level to de	epest point:	6 (feet)	
			n-site maintenance during drilling and operations	
Distance to nearest water well within one-mile of pit		Depth to shellowest fresh weter NA 100 feet. Source of information: KH (45		
None feet Depth of water well	AAR foot	meesu	red well owner electric log KDWR	
Emergency, Settling and Burn Pits OHLY:			over and Haul-Off Pits ONLY: If utilized in drilling/workover: Air with mist	
Producing Formation:		Type of material utilized in dritting/workover: Air with mist Number of working pits to be utilized: 1		
Barrels of fluid produced daily:		Abandonment procedure: Let water evaporate then back fill		
Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No		Number of working pits to be utilized:1 Abandonment procedure: _Let water evaporate then back fillpit with soil Drill pits must be closed within 365 days of spud date.		
I hereby certify that the above states	ments are true and o			
12/11/06 Date		R. R.	presure of Applicant or Agent For Canary Operating Corporation	
KCC OFFICE USE ONLY				
Date Received: 12 14 GF Permit Number: Permit Date: 12 14 dk- Lease Inspection: Yes K No				

Mail to: KCC - Conservation Division, 136 S. Market - Room 2078, Wichita, Kansas 67202

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KCC WICHITA