

For KCC Use: 7-30-06  
 Effective Date: \_\_\_\_\_  
 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 07 26 2006  
month day year

OPERATOR: License# 32294  
 Name: OSBORN ENERGY, LLC  
 Address: 24850 FARLEY  
 City/State/Zip: BUCYRUS, KS 66013  
 Contact Person: JEFF TAYLOR  
 Phone: 913-533-9900

CONTRACTOR: License# 5885  
 Name: R.S. GLAZE DRILLING

<b>Well Drilled For:</b>	<b>Well Class:</b>	<b>Type Equipment:</b>
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input type="checkbox"/> Infield
<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input checked="" type="checkbox"/> Pool Ext.
<input type="checkbox"/> OWWO	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic; # of Holes	<input type="checkbox"/> Other	<input type="checkbox"/> Mud Rotary
<input type="checkbox"/> Other		<input checked="" type="checkbox"/> Air Rotary
		<input type="checkbox"/> 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 #: \_\_\_\_\_

Spot  East  
 SE - SE - NW Sec. 7 Twp. 16 S. R. 25  West  
2310 feet from  N /  S Line of Section  
2100 feet from  E /  W Line of Section  
 Is SECTION  Regular  Irregular?

(Note: Locate well on the Section Plat on reverse side)  
 County: MIAMI  
 Lease Name: APAC Well #: 8  
 Field Name: LOUISBURG  
 Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): MARMATON AND CHEROKEE  
 Nearest Lease or unit boundary: 650'  
 Ground Surface Elevation: 1000' 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: 200+/-  
 Depth to bottom of usable water: 300+/-  
 Surface Pipe by Alternate:  1  2  
 Length of Surface Pipe Planned to be set: 20'  
 Length of Conductor Pipe required: NONE  
 Projected Total Depth: 900'  
 Formation at Total Depth: CHEROKEE  
 Water Source for Drilling Operations:  
 Well  Farm Pond  Other X  
 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: July 21, 2006 Signature of Operator or Agent: [Signature] Title: GEOLOGIST

RECEIVED  
 FEB 12 2007  
 KCC WICHITA  
 RECEIVED  
 JUL 24 2006  
 KCC WICHITA  
 7  
 16  
 ASE

**For KCC Use ONLY**  
 API # 15 - 121-28262-0000  
 Conductor pipe required None feet  
 Minimum surface pipe required 20 feet per Alt. **X(2)**  
 Approved by: RHT 7-25-06  
 This authorization expires: 1-25-07  
 (This authorization void if drilling not started within 6 months of effective 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: [Signature]  
 Date: Feb 9, 2007

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