For KCC Use: 5-28-07

Effective Date: 5-28-07

District # 3

SGA? X Yes \(\) No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

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

| Expected Spud Date 5/28/07 | Spot ✓ East |
|---|--|
| month day year | NE - NE - SE Sec. 22 Twp. 27 S. R. 14 West |
| 33630 | 2310 teet from N / V S Line of Section |
| OPERATOR: License# 33539 Name: Cherokee Wells, LLC | 330feet from ✓ E / W Line of Section |
| Address: 4916 Camp Bowle Blvd., Suite 204 | Is SECTION Regular Irregular? |
| Address: City/State/Zip: Fort Worth, TX 76107 | (Note: Locate well on the Section Plat on reverse side) |
| Contact Person: Rhonda Wilson | County: Wilson |
| Phone: (620) 378-3650 | Lease Name: Frisbie Well #: A-1 |
| | Field Name: Cherokee Basin Coal |
| CONTRACTOR: License# 33072 | Is this a Prorated / Spaced Field? |
| Name: Well Refined Drilling | Target Formation(s): Mississippian |
| | Nearest Lease or unit boundary: 330 |
| Well Drilled For: Well Class: Type Equipment: | Ground Surface Elevation: unknown feet MSL |
| Oil Enh Rec / Infield Mud Rotary | Water well within one-quarter mile: Yes ✓ No |
| ✓ Gas Storage Pool Ext. ✓ Air Rotary | Public water supply well within one mile: |
| OWWO Disposal Wildcat Cable | Depth to bottom of fresh water: 100 + |
| Seismic;# of Holes Other | Depth to bottom of usable water: 200+ |
| Other | Surface Pipe by Alternate: 1 2 |
| If OWWO: old well information as follows: | Length of Surface Pipe Planned to be set. 40' Minimum |
| | Length of Conductor Pipe required: None |
| Operator: | Projected Total Depth: 1350' |
| Original Completion Date: Original Total Depth: | Formation at Total Depth: Mississippian |
| | Water Source for Drilling Operations: |
| Directional, Deviated or Horizontal wellbore? Yes ✓ No | Well ✓ Farm Pond Other |
| If Yes, true vertical depth: | DWR Permit #: |
| Bottom Hole Location: | (Note: Apply for Permit with DWR) |
| KCC DKT #: | Will Cores be taken?Yes ✓ No |
| | If Yes, proposed zone: RECEIVED |
| | YANSAS CORPORATION COMMISSION |
| | DAVIT |
| The undersigned hereby affirms that the drilling, completion and eventual pl | ugging of this well will comply with K.S.A. 55 et. seq. MAY 2 3 2007 |
| It is agreed that the following minimum requirements will be met: | CONSERVATION DIVISION |
| Notify the appropriate district office prior to spudding of well; | MICHITA KC |
| 2. A copy of the approved notice of intent to drill shall be posted on each | ch ariling rig; |
| The minimum amount of surface pipe as specified below shall be se through all unconsolidated materials plus a minimum of 20 feet into the | |
| 4. If the well is dry hole an agreement between the operator and the d | istrict office on plug length and placement is necessary prior to plugging; |
| 5. The appropriate district office will be notified before well is either plug | ged or production casing is cemented in; |
| 6. If an ALTERNATE II COMPLETION, production pipe shall be comented | ed 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 |
| 1 | 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. |
| 6/24/07 | and Little: Office Manager |
| Date: 5/21/07 Signature of Operator or Agent: | Title: Office Manager |
| | Remember to: |
| For KCC Use ONLY | - File Drill Pit Application (form CDP-1) with Intent to Drill; |
| API # 15 - 205 - 27 197 - 2000 | - File Completion Form ACO-1 within 120 days of spud date; |
| Conductor pipe required NONE feet | - 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; |
| Minimum surface pipe required 10 feet per Alt. 12 | Obtain written approval before disposing or injecting salt water. |
| Approved by: WTWC 5-3-07 | - If this permit has expired (See: authorized expiration date) please |
| This authorization expires: 11"25" | check the box below and return to the address below. |
| (This authorization void if drilling not started within 6 months of approval date.) | Well Not Drilled - Permit Expired |
| Snud date: Agent | Signature of Operator or Agent |
| Spud date: Agent: | Date: |
| | S. Market - Room 2078, Wichita, Kansas 67202 |

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 - 205 - 27 197 0000 | Location of Well: County: Wilson |
|---|--|
| Operator: Cherokee Wells, LLC | |
| Lease: Frisbie | 2310 feet from N / ✓ S Line of Section 330 feet from ✓ E / W Line of Section |
| Well Number: A-1 Field: Cherokee Basin Coal | Sec22Twp27 S. R14 |
| Number of Acres attributable to well: | Is Section: Regular or trregular |
| QTR / QTR of acreage: NE - NE - SE | If Section is Irregular, locate well from nearest corner boundary. Section corner used: NE NW SE SW |

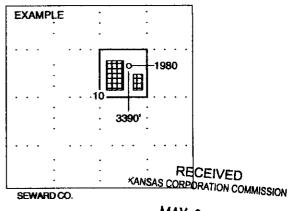
PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)

(Show footage to the nearest lease or unit boundary line.)

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



MAY 2 3 2007

CONSERVATION DIVISION
SUCCETA, KS

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 dritting 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).

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: Cherokee Well, LLO | | | License Number: 33539 | |
|--|---|--|---|--|
| Operator Address: 4916 Camp Boy | vie Blvd., Suit | te 204 For | t Worth, TX 76107 | |
| Contact Person: Rhonda Wilson | | | Phone Number: (620) 378 - 3650 | |
| Lease Name & Well No.: Frisbie A-1 | | Pit Location (QQQQ): | | |
| Type of Pit: | Pit is: | | NE NE SE | |
| Emergency Pit Burn Pit | Proposed | Existing | Sec. 22 Twp. 27 R. 14 ✓ East | |
| Settling Pit Drilling Pit | If Existing, date constructed: | | 2310 Feet from North / South Line of Section | |
| Workover Pit Haul-Off Pit | | | 330 Feet from 7 East / West Line of Section | |
| (If WP Supply API No. or Year Drilled) | Pit capacity: 800 | (bbls) | Wilson County | |
| Is the pit located in a Sensitive Ground Water | Area? Yes | No | Chloride concentration: mg/l (For Emergency Pits and Settling Pits only) | |
| Is the bottom below ground level? | Artificial Liner? | | How is the pit lined if a plastic liner is not used? | |
| ✓ Yes No | Yes 🗸 I | No | Natural Clay & Earth | |
| Distance to nearest water well within one-mil | e of pit | Depth to shalk | | |
| NA feet Depth of water well_ | | Source of Miles | mation: | |
| Emergency, Settling and Burn Pits ONLY | feet | | | |
| | | measi | mation: ured well owner electric log KDWR over and Haul-Off Pits ONLY: | |
| Producing Formation: | | Drilling, Work Type of materi | mation: ured well owner electric log KDWR over and Haul-Off Pits ONLY: al utilized in drilling/workover. Fresh Water | |
| Producing Formation: Number of producing wells on lease: | | Drilling, Work Type of materi | mation: ured well owner electric log KDWR over and Haul-Off Pits ONLY: al utilized in drilling/workover. Fresh Water rking pits to be utilized: One | |
| Producing Formation: Number of producing wells on lease: Barrets of fluid produced daily: | | Drilling, Work Type of materi | mation: ured well owner electric log KDWR over and Haul-Off Pits ONLY: al utilized in drilling/workover. Fresh Water | |
| Producing Formation: Number of producing wells on lease: | | Dritting, Work Type of materi Number of wo | mation: ured well owner electric log KDWR over and Haul-Off Pits ONLY: al utilized in drilling/workover. Fresh Water rking pits to be utilized: One procedure: Remove Fluids, Allow to Dry and Level Surface be closed within 365 days of spud date. RECEIVED | |
| Producing Formation: Number of producing wells on lease: Barrels of fluid produced daily: Does the stope from the tank battery allow at flow into the pit? Yes No I hereby certify that the above state | i spilled fluids to | Drilling, Work Type of materi Number of wo Abandonment Drill pits must | mation: Jured well owner electric log KDWR Aver and Haul-Off Pits ONLY: all utilized in drilling/workover: Fresh Water Inking pits to be utilized: One procedure: Remove Fluids, Allow to Dry and Level Surface be closed within 365 days of spud date. RECEIVED KANSAS CORPORATION COMMISS MAY 2 3 2007 | |
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