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 | Spot ✓ East | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|
| month day year | NW - Sw - Sec. 28 Twp. 27 S. R. 14 West | | |
| ODEDATOR: Lineage 33539 | 1980feet fromN / ✓ S Line of Section | | |
| OPERATOR: License# | 1330 feet from E / W Line of Section | | |
| Address: 4916 Camp Bowie Blvd., Suite 204 | is SECTION Regular Irregular? | | |
| 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 | Losso Name. Greathouse Well #: A-1 | | |
| | Field Name: Cherokee Basin Coal | | |
| CONTRACTOR: License# 33072 | Is this a Prorated / Spaced Field? | | |
| Name: Well Refined Driffing | Target Formation(s): Mississippian | | |
| Well Drilled For: Well Class: Type Equipment: | Nearest Lease or unit boundary: 330 | | |
| | Ground Surface Elevation: unknown feet MSL | | |
| Oil Enh Rec / Infield Mud Rotary | Water well within one-quarter mile: | | |
| ✓ Gas Storage Pool Ext. ✓ Air Rotary | Public water supply well within one mile: | | |
| OWNO 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 | | |
| Operator: | Length of Conductor Pipe required: None | | |
| Well Name: | 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? | Weil ✓ 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: | | |
| AFF | IDAVIT RECEIVED | | |
| The understand hereby affirms that the drilling completion and eventual of | lugging of this well will comply with K.S.A. 55 et. seq. KANSAS CORPORATION COMMISS | | |
| It is agreed that the following minimum requirements will be met: | MAY 0 a near | | |
| Notify the appropriate district office <i>prior</i> to spudding of well; | MAY 2 3 2007 | | |
| A copy of the approved notice of intent to drill shall be posted on each of the intent amount of surface pipe as specified below shall be set through all unconsolidated materials plus a minimum of 20 feet into the set of the well is dry hole, an agreement between the operator and the dry the appropriate district office will be notified before well is either plug of the an ALTERNATE II COMPLETION, production pipe shall be cement or pursuant to Appendix "B" - Eastern Kansas surface casing order must be completed within 30 days of the spud date or the well shall. | the by circulating cement to the top; in all cases surface pipe (1997) the underlying formation. District office on plug length and placement is necessary prior to plugging; aged or production casing is cemented in; ted from below any usable water to surface within 120 days of spud date. #133,891-C, which applies to the KCC District 3 area, alternate II cementing 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 | f my knowledge and belief. | | |
| Date: 5/21/07 Signature of Operator or Agent: // | nda Lilson Title: Office Manager | | |
| | Remember to: | | |
| For KCC Use ONLY API # 15 - 205 - 27 19 6 - 00 00 Conductor pipe required NONE feet | File Drift 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; | | |
| Conductor pipe required NOUDE feet Minimum surface pipe, required 100 feet per Alt. (2) | Notify appropriate district office 48 hours prior to workover or re-entry; Submit plugging report (CP-4) after plugging is completed; | | |
| Approved by: WHM 5-23-07 | - Obtain written approval before disposing or injecting salt water. | | |
| This authorization expires: $V-73-97$ | - If this permit has expired (See: authorized expiration date) please | | |
| (This authorization void if dritting not started within 6 months of approval date.) | check the box below and return to the address below. | | |
| | Well Not Drilled - Permit Expired | | |
| Spud date:Agent: | Signature of Operator or Agent: | | |
| | Date: | | |

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

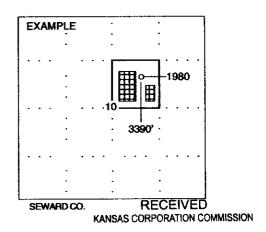
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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.

| APINO. 15 - 205 - 27 196 -0000 | Location of Well: County: Wilson | | |
|--------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--|--|
| Operator: Cherokee Wells, LLC | 1980 feet from N / S Line of Section 330 feet from E / W Line of Section | | |
| Lease: Greathouse | 330 feet from E / V Line of Section | | |
| Well Number: A-1 | Sec. 28 Twp. 27 S. R. 14 | | |
| Field: Cherokee Basin Coal | <u></u> | | |
| Number of Acres attributable to well: QTR / QTR / QTR of acreage: | Is Section: 🗸 Regular or 🔲 Irregular | | |
| | tf 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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| | - | <u>.</u> | • |

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



MAY 2 3 2007

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

CONSERVATION DIVISION

- 1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding 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).

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, LLC | | License Number: 33539 | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|----------------------------------|--------------------------------------------------------------------------------------------------------|--|--|
| Operator Address: 4916 Camp Bowie Blvd., Suite 204 Fort Worth, TX 76107 | | | | | |
| Contact Person: Rhonda Wilson | | Phone Number: (620) 378 - 3650 | | | |
| Lease Name & Well No.: Greathouse A-1 | | Pit Location (QQQQ): | | | |
| Type of Pit: | Pit is: | | <u>NW-SW</u> - | | |
| Emergency Pit Burn Pit | Proposed Existing | | Sec. 28 Twp. 27 R. 14 | | |
| Settling Pit | If Existing, date constructed: | | 1980 Feet from North / 🗸 South Line of Section | | |
| Workover Pit Haul-Off Pit | | | 330 Feet from ☐ 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 | Sensitive Ground Water Area? Yes Ne | | Chloride concentration: mg/l ' (For Emergency Pits and Settling Pits only) | | |
| is the bottom below ground level? | Artificial Liner? | V - | How is the pit lined if a plastic liner is not used? | | |
| Yes No | Yes 🗸 | | Natural Clay & Earth | | |
| r k onnensions (an out working pro). | | | Width (feet) N/A: Steel Pits | | |
| Depth fr | rom ground level to de | epest point: 6 | (feet) | | |
| | | | edures for periodic maintenance and determining notuding any special monitoring. | | |
| | | | | | |
| | | | | | |
| Distance to nearest water well within one-mile of pit Depth to shalk | | west fresh waterfeet. | | | |
| Soc | | Source of info | rmation: ured well owner electric log KDWR | | |
| | | | | | |
| Emergency, Settling and Burn Pits ONLY: | | • | OriHing, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: Fresh Water | | |
| 1 | | | nber of working pits to be utilized: One | | |
| Number of producing wells on lease: Barrels of fluid produced daily: Abandonment procedure: Remove Fluids, Allow to Dry and Level Sur | | | | | |
| Page the stone from the tank hattany allow all smilled fluids to | | | | | |
| flow into the pit? Yes No | Drill pits must be closed within 365 of | | be closed within 365 days of spud date RECEIVED | | |
| I hereby certify that the above statements are true and correct to the best of my knowledge and belief. | | | | | |
| MAY 2 3 2007 | | | | | |
| 5/21/07 | Signature of Applicant or Agent WICHITA, KS | | | | |
| Date Signature of Applicant of Agent WHOTHA, NO | | | | | |
| KCC OFFICE USE ONLY | | | | | |
| Date Received: 5/23/07 Permit Number: Permit Date: 5/23/07 Lease Inspection: Yes X No | | | | | |