

For KCC Use: Effective Date: 7-22-07
District # 1
SGA? Yes No

KANSAS CORPORATION COMMISSION 1010520
OIL & GAS CONSERVATION DIVISION

Form C-1
November 2005
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: 07/30/2007
month day year

Spot Description: 70' N & 90' E OF
W2 - SE - NE Sec. 5 Twp. 17 S. R. 27 E W
1,910 feet from N / S Line of Section
900 feet from E / W Line of Section

OPERATOR: License# 3842
Name: Larson Engineering, Inc.
Address 1: 562 W STATE RD 4
Address 2:
City: OLMITZ State: KS Zip: 67564 + 8561
Contact Person: Thomas Larson
Phone: 620-653-7368

Is SECTION: Regular Irregular?
(Note: Locate well on the Section Plat on reverse side)
County: Lane
Lease Name: Johnson Well #: 3-5
Field Name: PENNENNIS SOUTHWEST

CONTRACTOR: License# 33935
Name: H. D. Drilling, LLC

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): L-KC, Marmaton, Cherokee

Well Drilled For: Oil Gas Seismic; # of Holes Other:
Well Class: Enh Rec Storage Disposal Other
Type Equipment: Mud Rotary Air Rotary Cable

Nearest Lease or unit boundary line (in footage): 730
Ground Surface Elevation: 2685 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: 180
Depth to bottom of usable water: 1250
Surface Pipe by Alternate: I II
Length of Surface Pipe Planned to be set: 250
Length of Conductor Pipe (if any):
Projected Total Depth: 4650
Formation at Total Depth: Mississippi

Operator:
Well Name:
Original Completion Date: Original Total Depth:

Water Source for Drilling Operations:
 Well Farm Pond Other: water hauler
DWR Permit #:

Directional, Deviated or Horizontal wellbore? Yes No
If Yes, true vertical depth:
Bottom Hole Location:
KCC DKT #:

(Note: Apply for Permit with DWR)
Will Cores be taken? Yes No
If Yes, proposed zone:

AFFIDAVIT

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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:

CONSERVATION DIVISION
WICHITA, KANSAS

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: 7-13-07 Signature of Operator or Agent: Thomas Larson Title: President

For KCC Use ONLY
API # 15 - 101-22033-0000
Conductor pipe required 0 feet
Minimum surface pipe required 200 feet per ALT. I II
Approved by: Ruth 7-17-07
This authorization expires: 1-17-08
(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 (within 60 days);
- 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 Date: Signature of Operator or Agent:



1010520

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 - 101-22033-0000
Operator: Larson Engineering, Inc.
Lease: Johnson
Well Number: 3-5
Field: PENDENNIS SOUTHWEST

Location of Well: County: Lane
1,910 feet from N / S Line of Section
900 feet from E / W Line of Section
Sec. 5 Twp. 17 S. R. 27 E W

Number of Acres attributable to well: _____
QTR/QTR/QTR/QTR of acreage: _____ - W2 - SE - NE

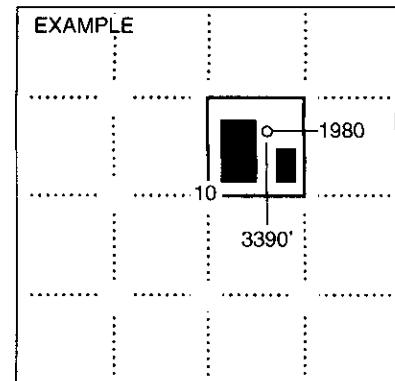
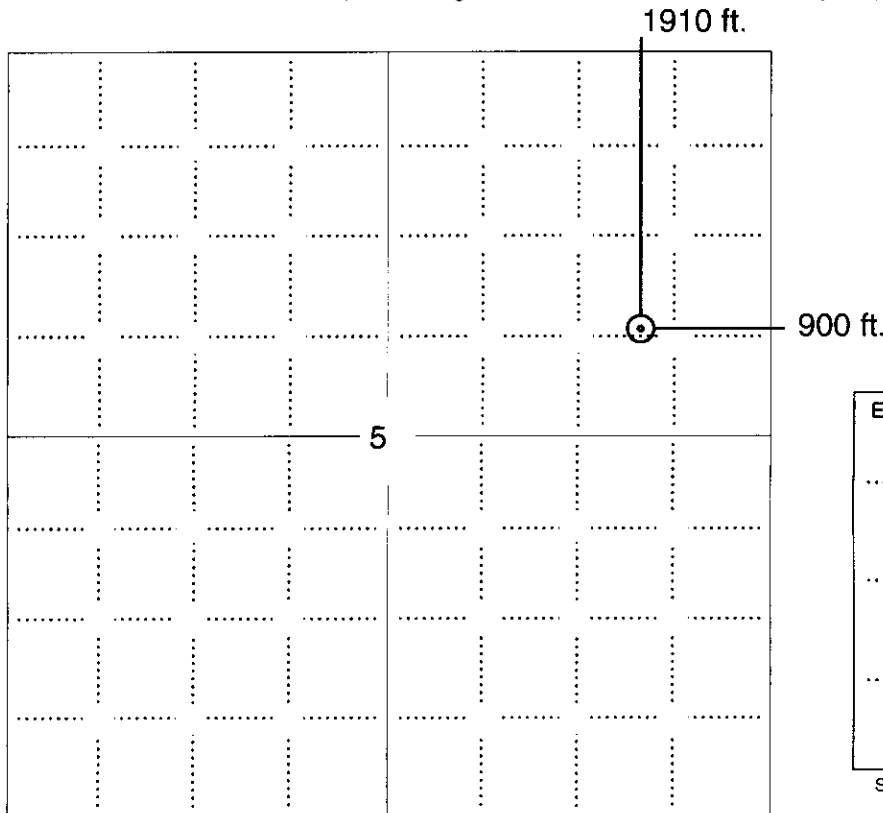
Is Section: Regular or Irregular

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.)*



SEWARD CO.

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

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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 drilling location from the south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
4. 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).

