

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

AUG 06 2007

NOTICE OF INTENT TO DRILL

CONSERVATION DIVISION
WICHITA, KS

Form must be Typed
Form must be Signed
Blanks must be Filled

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

For KCC Use:
Effective Date: 8-15-07
District # 1
SGA? Yes No

Expected Spud Date August 20 2007
month day year

OPERATOR: License# 33470 ✓
Name: Permian Reef, LLC
Address: 2262 Willow Circle Drive
City/State/Zip: Greenwood, IN. 46143
Contact Person: Greg Erhard
Phone: 913-829-9379

CONTRACTOR: License# (will notify KCC on ACO-1 completion report) ✓
Name: (will notify KCC on ACO-1 completion report) Must be licensed by KCC

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

If OWWO: old well information as follows:
Operator: N/A
Well Name: N/A
Original Completion Date: N/A Original Total Depth: N/A

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

Spot C NE Sec. 4 Twp. 22 S. R. 40 East West
1320 feet from N / S Line of Section
1320 feet from E / W Line of Section
Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
County: Hamilton
Lease Name: Salvation Army #2 Well #: Permian Reef #1
Field Name: Bradshaw
Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Council Grove, if no production capability then Chase
Nearest Lease or unit boundary: 1320 ft ✓
Ground Surface Elevation: 3553.0 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: 850 ft 200 ✓
Depth to bottom of usable water: 1150 ft
Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 350 ft ✓
Length of Conductor Pipe required: N/A
Projected Total Depth: 3400 ft
Formation at Total Depth: Council Grove
Water Source for Drilling Operations: Well Farm Pond Other Hauled in
DWR Permit #: N/A

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

PRORATED & SPACED: HULOTON

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: 8/1/2007 Signature of Operator or Agent: Greg Erhard Title: Agent

For KCC Use ONLY
API # 15 - 075-20837-0000
Conductor pipe required None feet
Minimum surface pipe required 220 feet per Alt. X2
Approved by: KUH 8-10-07
This authorization expires: 2-10-08
(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 prorations 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: _____
Date: _____

4
22
HOM

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 - 075-20837-0000
 Operator: Permian Reef, LLC
 Lease: Salvation Army #2
 Well Number: Permian Reef #1
 Field: Bradshaw
 Number of Acres attributable to well: 320
 QTR / QTR / QTR of acreage: _____ - C - NE

Location of Well: County: Hamilton
1320 feet from N / S Line of Section
1320 feet from E / W Line of Section
 Sec. 4 Twp. 22 S. R. 40 East West

Is Section: Regular or Irregular

If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

PLAT

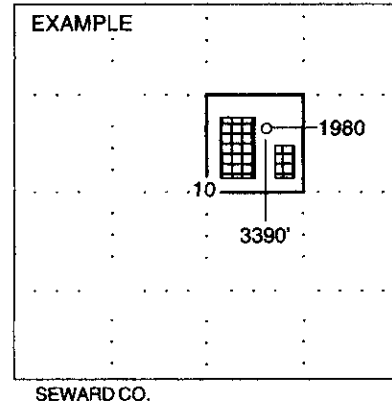
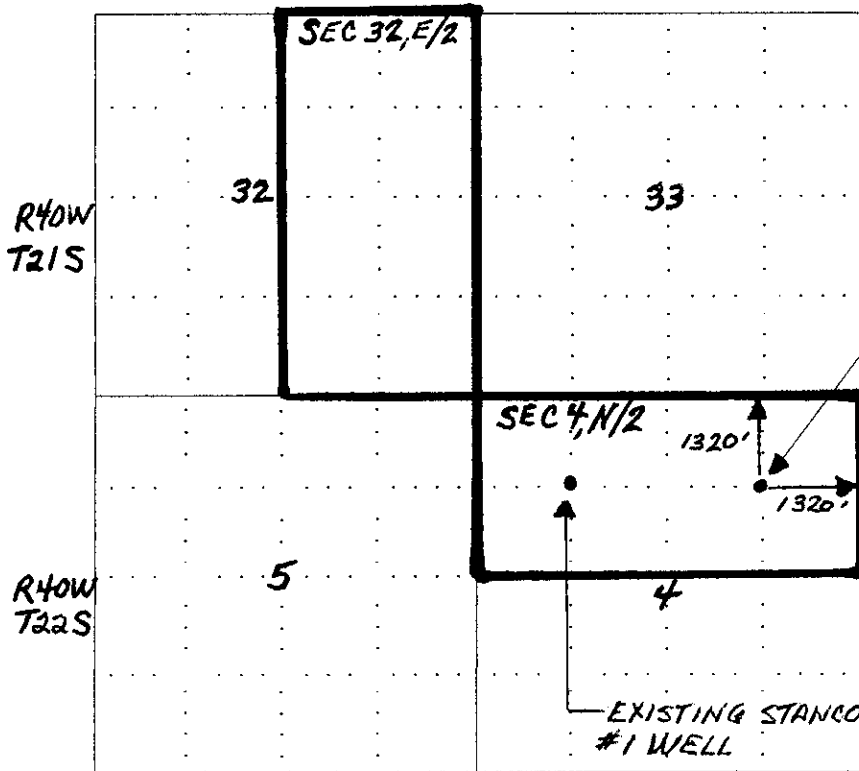
(Show location of the well and shade attributable acreage for prorated or spaced wells)
(Show footage to the nearest lease or unit boundary line.)

RECEIVED

KANSAS CORPORATION COMMISSION

AUG 06 2007

CONSERVATION DIVISION
 WICHITA, KS



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

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 section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells;

PLAT AND CERTIFICATION OF ACREAGE ATTRIBUTABLE TO A GAS WELL

Kansas Corporation Commission, Conservation Division
 Finney State Office Building, 130 South Market, Room 2078
 Wichita, Kansas 67202

API NUMBER 15- 075-20837-0000

LOCATION OF WELL: COUNTY Hamilton

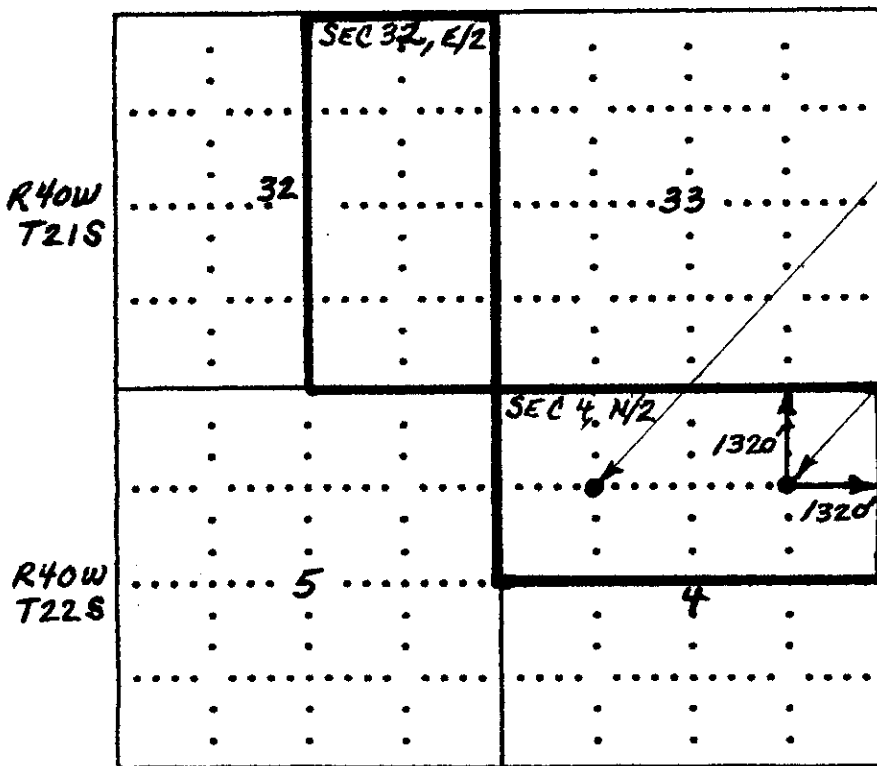
OPERATOR Permian Reef, LLC
 LEASE Salvation Army
 WELL NUMBER #2
 FIELD Hugoton

1320 feet from ~~WEST~~/north line of section
1320 feet from east / ~~WEST~~ line of section

NUMBER OF ACRES ATTRIBUTABLE TO WELL 640
 QTR/QTR/QTR OF ACREAGE - C - NE

SECTION 4 TWP 22 (S) RG 40 W
 IS SECTION X REGULAR or IRREGULAR
 IF SECTION IS IRREGULAR, LOCATE WELL FROM
 NEAREST CORNER BOUNDARY. (check line below)
 Section corner used: NE NW SE SW

(Show the location of the well and shade attributable acreage for prorated or spaced wells).
 (Show the footage to the nearest lease or unit boundary line; and show footage to the nearest common source supply well).

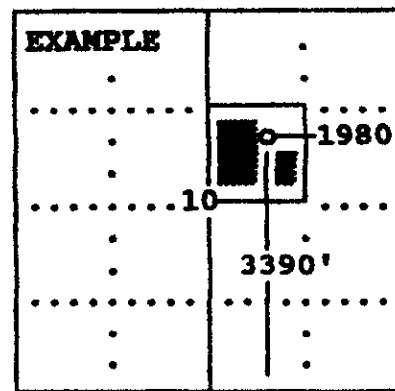


EXISTING STANCO # ~~2~~ WELL RECEIVED
 KANSAS CORPORATION COMMISSION

AUG 10 2007

CONSERVATION DIVISION
 WICHITA, KS

PROPOSED NEW WELL
 PERMIAN REEF #1



SEWARD CO.

The undersigned hereby certifies as Agent (title) for

Permian Reef, LLC (Co.), a duly authorized agent, that all

information shown hereon is true and correct to the best of my knowledge and belief, that all acreage claimed attributable to the well named herein is held by production from that well and hereby make application for an allowable to be assigned to the well upon the filing of this form and the State test, whichever is later.

Signature Gregory A. Ephard

Subscribed and sworn to before me on this 9th day of August, 19 2007

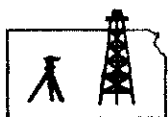
Treise Hughes
 Notary Public

My Commission expires 4/12/11

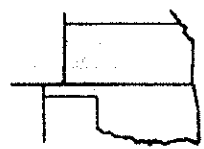
NOTARY PUBLIC - State of Kansas
 TREISE HUGHES
 My Appt. Expires 4/12/11

FORM CG-8 (12/94)

15-075-20837000



ROBINSON SERVICES
Oil Field & Construction Staking
P.O. Box 2324
Garden City, Kansas 67846
Office/Fax: (620) 276-6159
Cell: (620) 272-1499



t020707-n
PLAT NO.

6615
INVOICE NO.

Permian Reef, LLC
OPERATOR
Hamilton County, KS
COUNTY

4 22s 40w
Sec. Twp. Rng.

Salvation Army #2
LEASE NAME
1320' FNL - 1320' FEL
LOCATION SPOT

SCALE: **1" = 1000'**
DATE: **Feb. 07th, 2007**
MEASURED BY: **Kent C.**
DRAWN BY: **Gabe Q.**
AUTHORIZED BY: **Greg E. & Janice H.**



GR. ELEVATION: **3553.0'**

Directions: From the West side of Syracuse, Ks at the intersection of Hwy 50 & Hwy 27 North - Now go 13.3 miles North on Hwy 27 - Now go 2 miles East to the NW corner of section 4-22s-40w - Now go on East 0.8 mile to ingress stake - Now go 1320 ft South through wheat stubble into staked location.

Final ingress must be verified with land owner or Permian Reef, LLC.

This drawing does not constitute a monumented survey or a land survey plat
This drawing is for construction purposes only

