

For KCC Use: 4-28-07
Effective Date: _____
District # 1
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Corrected Intent

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 the K.C.C. five (5) days prior to commencing work

CORRECTED
8-28-07

Expected Spud Date 4 30 2007
month day year

Spot 80' N OF East
N2 N2 - NE - NE Sec. 8 Twp. 32 S. R. 15 West
* 85 feet from N / S Line of Section
660 feet from E / W Line of Section

OPERATOR: License # 3842
Name: LARSON OPERATING COMPANY
A DIVISION OF LARSON ENGINEERING, INC.
Address: 562 WEST HIGHWAY 4
City/State/Zip: OLMITZ, KS 67564-8561
Contact Person: TOM LARSON
Phone: (620) 653-7368

Is SECTION X Regular Irregular?

(Note: Locate well on the Section Plat on Reverse Side)

CONTRACTOR: License # 33610
Name: FOSSIL DRILLING, INC.

County: BARBER
Lease Name: GYPSUM HILLS Well #: 1-8
Field Name: PERRY RANCH

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): DOUGLAS, MISSISSIPPI

Nearest Lease or unit boundary: 380

Ground Surface Elevation: 2024 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: 120

Depth to bottom of usable water: 180

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 300

Length of Conductor pipe required: _____

Projected Total Depth: 5000

Formation at Total Depth: MISSISSIPPI

Water Source for Drilling Operations:

Well Farm Pond Other WATER HAULER

DWR Permit #: _____

(Note: Apply for Permit with DWR)

Will Cores Be Taken? Yes No

If yes, proposed zone: _____

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

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#: _____

Oil & Gas Lease Attached

AFFIDAVIT * WAS: 135' FNL
IS: 85' FNL

RECEIVED
KANSAS CORPORATION COMMISSION

AUG 27 2007

CONSERVATION DIVISION
WICHITA, KS

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, 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 a 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 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: 08/24/2007 Signature of Operator or Agent: Carol Lee Title: SECRETARY/TREASURER

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: _____

Date: _____

For KCC use ONLY
API # 15 - 007-23142-0000
Conductor pipe required 0 feet
Minimum surface pipe required 200 feet per Alt 1
Approved by: Paul 4-23-07 / Carol 8-28-07
This authorization expires: 10-23-07
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

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

8
32
15

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

CORRECTED

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 - 007-23142-00-00
LARSON OPERATING COMPANY
Operator: A DIVISION OF LARSON ENGINEERING, INC.
Lease: GYPSUM HILLS
Well Number: 1-8
Field: PERRY RANCH

Location of Well: County: BARBER
* 85 feet from N / S Line of Section
660 feet from E / W Line of Section
Sec. 8 Twp. 32 S. R. 15 East West

Is Section: Regular or Irregular

Number of Acres attributable to well: _____

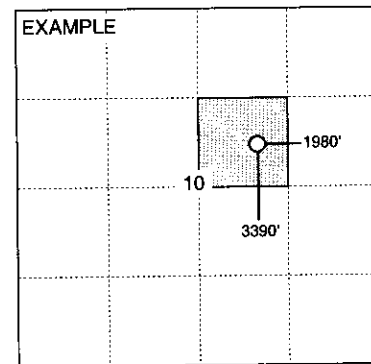
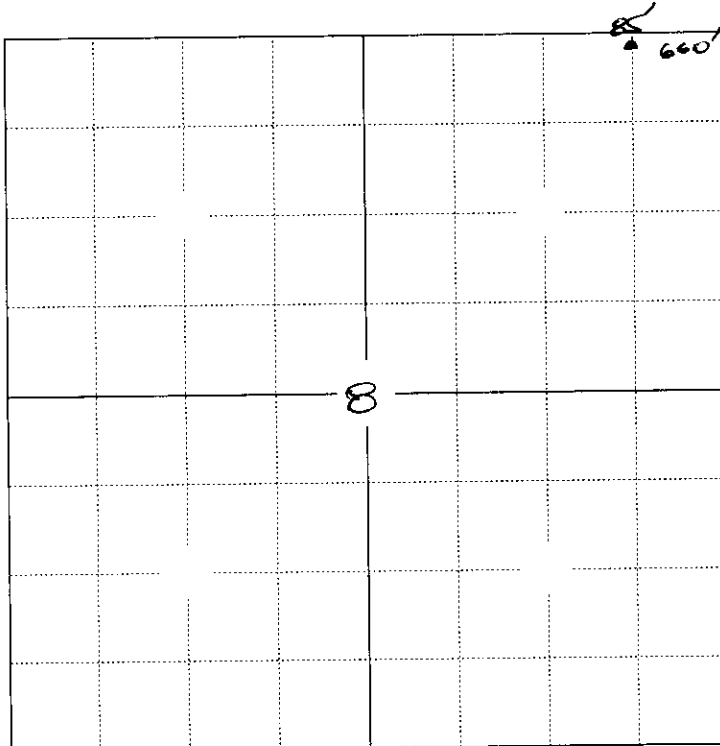
QTR / QTR / QTR of acreage: N2 N2 - NE - NE

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. RECEIVED
KANSAS CORPORATION COMMISSION

AUG 27 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; CG-8 for gas wells).