

District # 3
SGA? Yes No

NOTICE OF INTENT TO DRILL

Forms 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 8 3 06
month day year

25' South of:
Spot NW SE SE Sec. 24 Twp. 16 S. R. 24 East West
965 feet from N / S Line of Section
990 feet from E / W Line of Section
Is SECTION Regular Irregular?

OPERATOR: License# 33677
Name: Canary Operating Corporation
Address: 7230 W. 162nd Street, Suite A
City/State/Zip: Stilwell, KS 66085
Contact Person: Steve Allee
Phone: 913-239-8960

(Note: Locate well on the Section Plat on reverse side)
County: Miami
Lease Name: Norris Well #: 50A-24-16-24
Field Name: Louisburg

CONTRACTOR: License# 33799
Name: RLC Drilling Inc.

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Marmaton & Cherokee Coals

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

Nearest Lease or unit boundary: 965
Ground Surface Elevation: 1066 (Est. from Topo) feet MSL

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

Water well within one-quarter mile: Yes No
Public water supply well within one mile: Yes No

Directional, Deviated or Horizontal wellbore? Yes No

Depth to bottom of fresh water: 250' +/-
Depth to bottom of usable water: 300' +/-

If Yes, true vertical depth: _____

Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 20'

Bottom Hole Location: _____

Length of Conductor Pipe required: None
Projected Total Depth: 700' +/-
Formation at Total Depth: Cherokee

KCC DKT #: _____

Water Source for Drilling Operations:
 Well Farm Pond Other

DWR Permit #: _____

Will Cores be taken? Yes No

If Yes, proposed zone: _____

Replaces 15-121-28156 (expired 7-24-06)

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: 7/24/06 Signature of Operator or Agent: Rex R. Ashlock Title: _____
By Rex R. Ashlock

For KCC Use ONLY
API # 15 - 121-28264-0000
Conductor pipe required None feet
Minimum surface pipe required 20 feet per AL. X(2)
Approved by: RLL 8-8-06
This authorization expires: 2-8-07
(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 promotion 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: R.R. Ashlock
Date: 6/10/07

Mail to: KCC - Conservation Division, 130 S. Market - Room 207B, Wichita, Kansas 67202

KCC WICHITA
JUL 3 1 2006
RECEIVED

RECEIVED
KANSAS CORPORATION COMMISSION

JUN 11 2007

CONSERVATION DIVISION
WICHITA, KS

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