

Corrected! Spud Date & Drilling Contractor

For KCC Use: 6-24-07  
Effective Date: \_\_\_\_\_  
District # 1  
SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
**NOTICE OF INTENT TO DRILL**

Form C-1  
December 2002  
**CORRECTED**  
Form must be Typed  
Form must be Signed  
9-21-07 All blanks must be Filled

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

\* Expected Spud Date 10 22 2007  
month day year

OPERATOR: License# 31714  
Name: Novy Oil & Gas, Inc.  
Address: 125 N. Market, Suite 1230  
City/State/Zip: Wichita, KS 67202  
Contact Person: Michael Novy  
Phone: 316-265-4651

\* CONTRACTOR: License# 30606  
Name: Murfin Drilling Company

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

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 #: \_\_\_\_\_

# WAS: Expected Spud Date 8/20/07 Contractor 33724 Warren Drilling LLC  
I/S: Expected Spud Date 10/23/07 Contractor 30606 Murfin Drilling Company  
AFFIDAVIT

Spot \_\_\_\_\_ - SW - NE Sec. 26 Twp. 19 S. R. 33  
 East  West  
2100 feet from  N /  S Line of Section  
1800 feet from  E /  W Line of Section  
Is SECTION \_\_\_\_\_ Regular \_\_\_\_\_ Irregular?

(Note: Locate well on the Section Plat on reverse side)  
County: SCOTT  
Lease Name: SMITH Well #: 16  
Field Name: HUGOTON NORTH  
Is this a Prorated / Spaced Field?  Yes  No  
Target Information(s): BKC  
Nearest Lease or unit boundary: 1800  
Ground Surface Elevation: 2957 est. 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: 220  
Depth to bottom of usable water: 1250  
Surface Pipe by Alternate:  1  2  
Length of Surface Pipe Planned to be set: 250' OF 8 5/8  
Length of Conductor Pipe required: none  
Projected Total Depth: 4300  
Formation at Total Depth: BKC  
Water Source for Drilling Operations:  Well  Farm Pond Other Truck  
DWR Permit #: \_\_\_\_\_

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

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S. ~~KANSAS CORPORATION COMMISSION~~ **RECEIVED**  
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 **CONSERVATION DIVISION** **WICHITA, KS** **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: 09/19/07 Signature of Operator or Agent: Michael Novy Title: Vice President

For KCC Use ONLY  
API # 15 - 171-20664-0000  
Conductor pipe required None feet  
Minimum surface pipe required 240 feet per Alt. XO 2  
Approved by: Pat 6-19-07 / Pat 9-21-07  
This authorization expires: 12-19-07  
(This authorization void if drilling not started within 6 months of effective 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;  
- 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: \_\_\_\_\_

26  
19  
33W