

For KCC Use: 10-2407
 Effective Date: _____
 District #: _____
 SGA? Yes No

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

Form C-1
 December 2002
**Form 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 October 17th 2007
month day year

Spot SW 1/2 NW NW Sec. 20 Twp. 24 S. R. 34 East West
1250' feet from N / S Line of Section
660' feet from E / W Line of Section

OPERATOR: License# 32787 ✓
 Name: Kansas Natural Gas Operating, Inc.
 Address: P. O. Box 815
Sublette, KS 67877
 City/State/Zip:
 Contact Person: Steve Lehning
 Phone: 620-675-8185

Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)

CONTRACTOR: License# 33784 ✓
 Name: Trinidad Drilling Limited Partnership

County: Finney
 Lease Name: Finnup Well #: 1-3
 Field Name: Hugoton - Chase

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

Is this Prorated / Spaced Field? Yes No
 Target Formation(s): Hugoton Chase
 Nearest Lease or unit boundary: 660 FWL

Ground Surface Elevation: 2937.9' feet MSL
 Water well within one-quarter mile: Yes No
 Public water supply well within one mile: Yes No

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

Depth to bottom of fresh water: 450'
 Depth to bottom of usable water: 860'
 Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 900' ✓
 Length of Conductor Pipe required: None
 Projected Total Depth: 2670' ✓

Directional, Deviated or Horizontal wellbore? Yes No

Formation at Total Depth: Chase Formation ✓

If Yes, true vertical depth: _____
 Bottom Hole Location: _____
 KCC DKT #: _____

Water Source for Drilling Operations:
 Well Farm Pond Other Hauled Fresh Water

DWR Permit #: _____
(Note: Apply for Permit with DWR)

Will Cores be taken? Yes No
 If Yes, proposed zone: _____

PRORATED & SPACED: HUGOTON-PANOMA

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. KANSAS CORPORATION COMMISSION
 It is agreed that the following minimum requirements will be met:

OCT 15 2007

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 WICHITA, KS

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: 10/11/07 Signature of Operator or Agent: Steven M. Lehning Title: Supt.

For KCC Use ONLY
 API # 15 - 055-21953-0000
 Conductor pipe required None feet
 Minimum surface pipe required 900 feet per Alt. 1
 Approved by: KML 10/19/07
 This authorization expires: 4-19-08
(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;
- 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: _____

20
24
34

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 - 055-21953-0000 **New Well**
 Operator: Kansas Natural Gas Operating, Inc.
 Lease: Finnup
 Well Number: 1-3
 Field: Hugoton - Chase
 Number of Acres attributable to well: 638
 QTR / QTR / QTR of acreage: SW - NW - NW

Location of Well: County: Finney
1250' feet from N / S Line of Section
660' feet from E / W Line of Section
 Sec. 20 Twp. 24 S. R. 34 East West

Is Section: Regular or Irregular

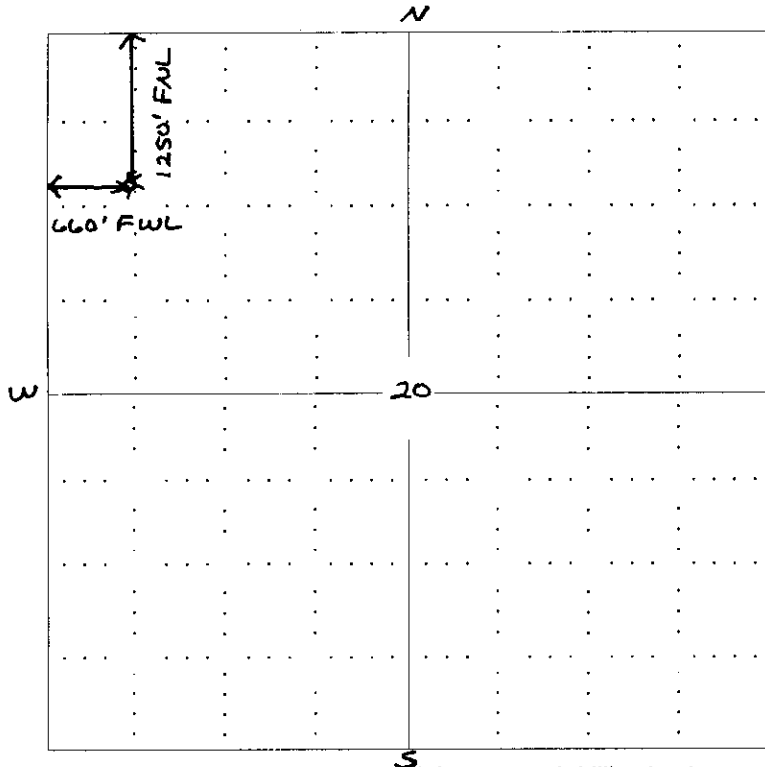
If Section Is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

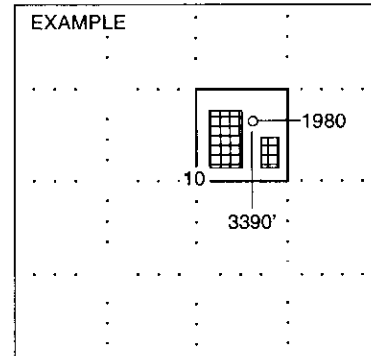
PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)

(Show footage to the nearest lease or unit boundary line.)



Unit Comprised of
N/2 of Sec. 19-24S-34W
N/2 of Sec. 20-24S-34W
Total of 638 Acres



SEWARD CO.

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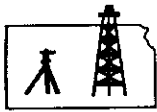
OCT 15 2007

In plotting the proposed location of the well, you must show:

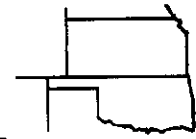
1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section's south / north and east / west.
3. The distance to the nearest lease or unit 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).

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 WICHITA, KS

15-055-21953-0000



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



e100407-d
PLAT NO.

7105
INVOICE NO.

Kansas Natural Gas Operating, Inc.
OPERATOR

Finnup #1-3
LEASE NAME

Finney County, KS
COUNTY

20 24s 34w
Sec. Twp. Rng.

1250' FNL - 660' FWL
LOCATION SPOT

GR. ELEVATION: 2937.9'

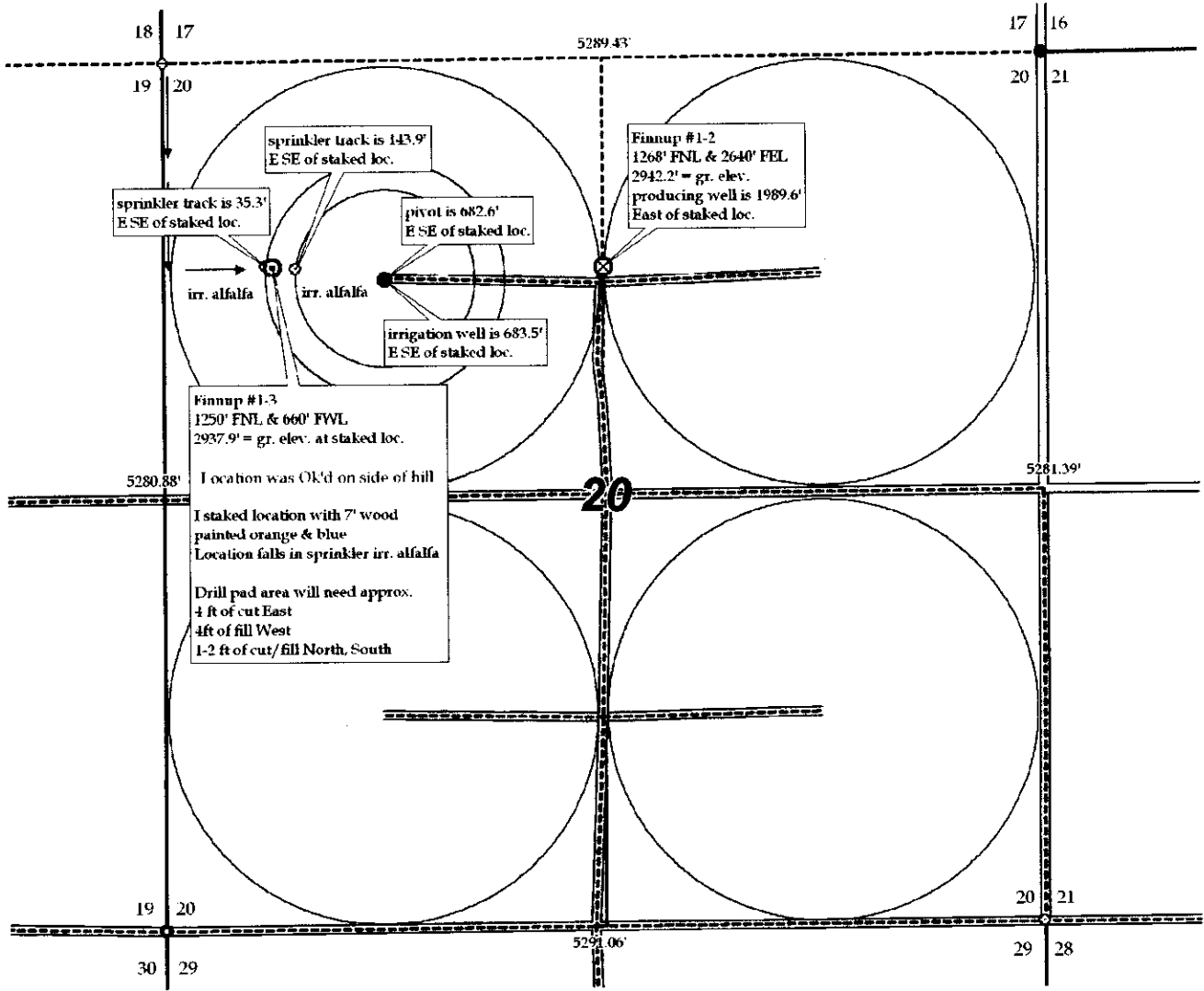
SCALE: 1" = 1000'
DATE: Oct. 4th, 2007
MEASURED BY: Burt W.
DRAWN BY: Gabe Q.
AUTHORIZED BY: Steve L. & Doran



Directions: From the North side of Deerfield, Ks at the intersection of Hwy 50 & Main St. South - Now go 1.4 mile South, SW on Main St. - Now go 0.4 mile East on River Rd. - Now go 0.7 mile South on Deerfield Lane - Now go 2 mile East to the NW corner of section 20-24s-34w - Now go 1250' South or 0.2 mile through weeds - Now go 660' East through sprinkler irrigated alfalfa into staked location.

Final ingress must be verified with land owner or Kansas Natural Gas Operating, Inc.

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



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CONSERVATION DIVISION
WICHITA, KS

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

055-21953-0005
 New well

API NUMBER 15- _____

LOCATION OF WELL: COUNTY Finney

OPERATOR Kansas Natural Gas Operating, Inc.

LEASE Finnup

1250 feet from south/north line of section

WELL NUMBER 1-3

660 feet from east / west line of section

FIELD Hugoton - Chase

SECTION 20 TWP 24 (S) RG 34 E (W)

NUMBER OF ACRES ATTRIBUTABLE TO WELL 638

IS SECTION X REGULAR or _____ IRREGULAR

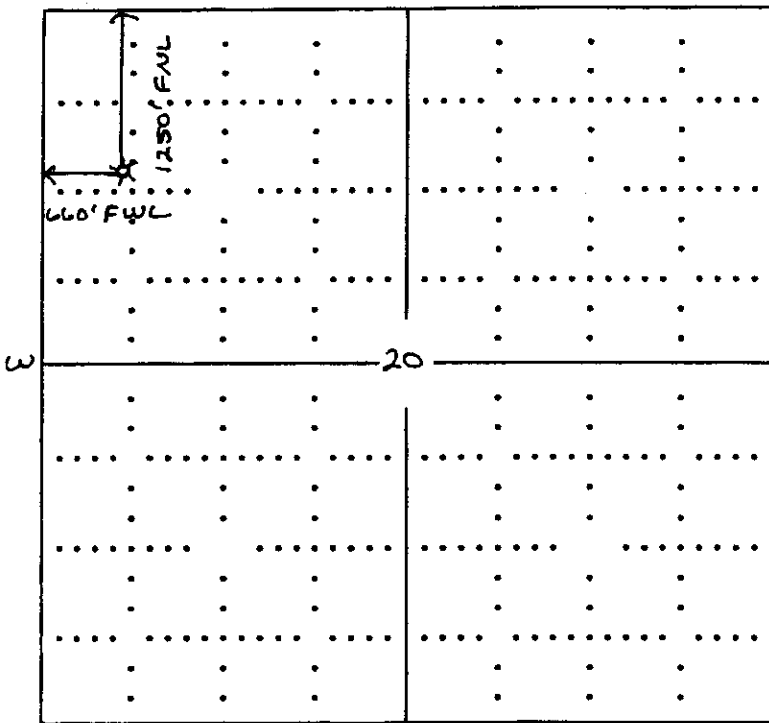
QTR/QTR/QTR OF ACREAGE SW - NW - NW

IF SECTION IS IRREGULAR, LOCATE WELL FROM

NEAREST CORNER BOUNDARY. (check line below)

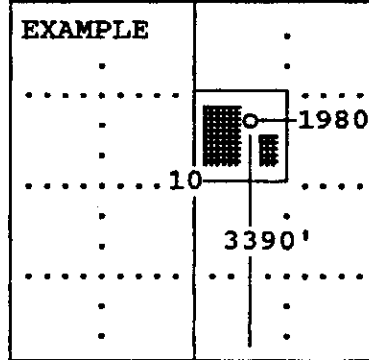
Section corner used: NE NW SE SW

(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).



Unit Comprised of
 N/2 of Sec 19-24S-34W
 N/2 of Sec 20-24S-34W
 Total of 638 Acres

(Finney County)



(Finney County) S

The undersigned hereby certifies as Superintendent (title) for

Kansas Natural Gas Operating, Inc. (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 Steven M. Lehning, Supt.

Subscribed and sworn to before me on this 11th day of October, 192007

Kraig Gross
 Notary Public

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 KANSAS CORPORATION COMMISSION

My Commission expires _____



OCT 15 2007

CONSERVATION DIVISION
 WICHITA, KS

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT**

Form CDP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: Kansas Natural Gas Operating, Inc.		License Number: 32787
Operator Address: P. O. Box 815 Sublette, KS 67877		
Contact Person: Steve Lehning		Phone Number: (620) 675 - 8185
Lease Name & Well No.: Finnup 1-3		Pit Location (QQQQ): SW - NW - NW - 1/4
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 500 (bbls)	Sec. 20 Twp. 24 R. 34 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1240 ¹²⁵⁰ Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 630 ⁶⁶⁰ Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Finney County
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: N/A mg/l <small>(For Emergency Pits and Settling Pits only)</small>
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used? Gel-Mud
Pit dimensions (all but working pits): 70' Length (feet) 10' Width (feet) N/A: Steel Pits Depth from ground level to deepest point: 6' (feet)		
If the pit is lined give a brief description of the liner material, thickness and installation procedure. N/A		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. N/A
Distance to nearest water well within one-mile of pit 683.5 feet Depth of water well 550 feet		Depth to shallowest fresh water 450 feet. Source of information: _____ measured <input checked="" type="checkbox"/> well owner _____ electric log _____ KDWR
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: Fresh Water - Drill Mud Number of working pits to be utilized: One Abandonment procedure: Evaporate Till Dry - Backfill and Spread Manure Over Location. Drill pits must be closed within 365 days of spud date.
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.		
10/11/07 Date		Steven M. Lehning, Supt. Signature of Applicant or Agent

15-055-21953-0000

KCC OFFICE USE ONLY		<i>Normal</i>
Date Received: 10/15/07	Permit Number: _____	Permit Date: 10/19/07 Lease Inspection: RECEIVED KANSAS CORPORATION COMMISSION

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

OCT 15 2007

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WICHITA, KS