

For KCC Use: Effective Date: 10-27-07 District #: 4 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 the K.C.C. five (5) days prior to commencing well

Expected Spud Date NOV 14 2007 month day year

NE - SW - SE 10 Twp. 17 S. R. 12  East  West 1240 feet from  N /  S Line of Section 1540 feet from  E /  W Line of Section Is SECTION x Regular Irregular?

OPERATOR: License # 3882 Name: SAMUEL GARY JR. & ASSOCIATES, INC. Address: 1670 BROADWAY, SUITE 3300 City/State/Zip: DENVER, CO 80202 Contact Person: TOM FERTAL

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

Phone: (303) 831-4673

Lease Name: WONDRA-REIF Well #: 1-10

CONTRACTOR: License # 33350 Name: SOUTHWIND DRILLING

Field Name: Is this a Prorated / Spaced Field?  Yes  No

- Well Drilled For: Oil, Gas, OWWO, Seismic, Other; Well Class: Enh Rec, Storage, Disposal, Wildcat, Other; Type Equipment: Mud Rotary, Air Rotary, Cable

Target Formation(s): ARBUCKLE Nearest Lease or unit boundary: 330' Ground Surface Elevation: Est. 1855 feet MSL

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

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

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

Depth to bottom of fresh water: 150 Depth to bottom of usable water: 300 Surface Pipe by Alternate:  1  2

Length of Surface Pipe Planned to be set: 320' Length of Conductor pipe required: NONE Projected Total Depth: 3380'

Formation at Total Depth: ARBUCKLE Water Source for Drilling Operations:  Well  Farm Pond Other

DWR Permit #: N/A (Note: Apply for Permit with DWR )

Will Cores Be Taken?  Yes  No If yes, proposed zone: N/A

Oil & Gas Leases w/ pooling clauses attached.

AFFIDAVIT

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OCT 19 2007

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:

CONSERVATION DIVISION 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 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: OCTOBER 17, 2007 Signature of Operator or Agent: [Signature] Title: GEOLOGIST

Remember to:

For KCC use ONLY API # 15 - 009-25118-0000 Conductor pipe required None feet Minimum surface pipe required 300 feet per Alt. 1 Approved by: [Signature] This authorization expires: 4-22-08 (This authorization void if drilling not started within 6 months of effective date.) Spud date: Agent:

- 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:

10 17 12W

**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 - 009-25118-0000  
Operator: SAMUEL GARY JR & ASSOCIATES, INC.  
Lease: WONDRA-REIF  
Well Number: 1-10  
Field: \_\_\_\_\_

Location of Well: County: BARTON  
\_\_\_\_\_ 1240 feet from  N /  S Line of Section  
\_\_\_\_\_ 2040 feet from  E /  W Line of Section  
Sec. 10 Twp. 17 S. R. 12  East  West

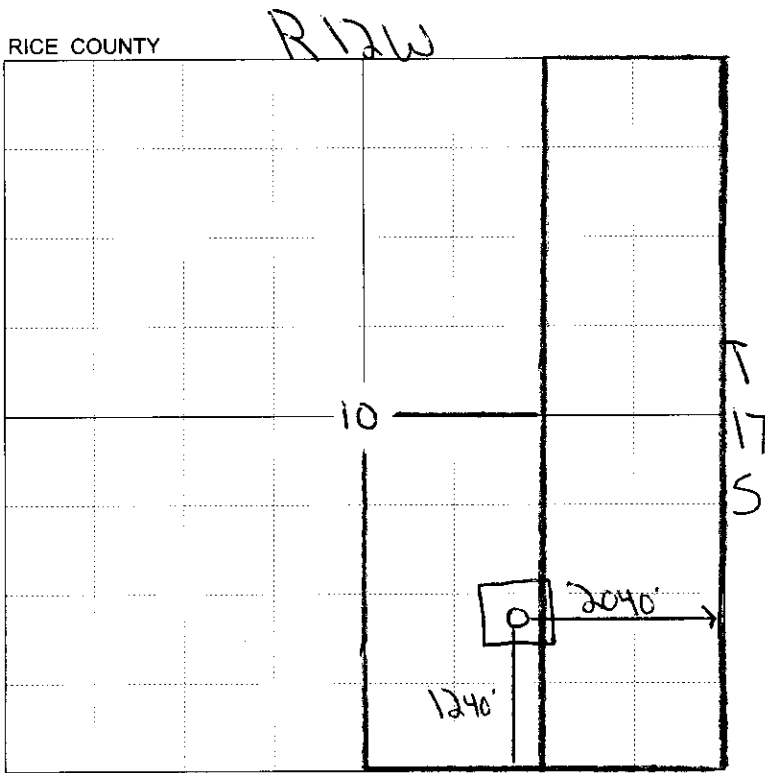
Is Section:  Regular or  Irregular

Number of Acres attributable to well: \_\_\_\_\_  
QTR / QTR / QTR of acreage: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

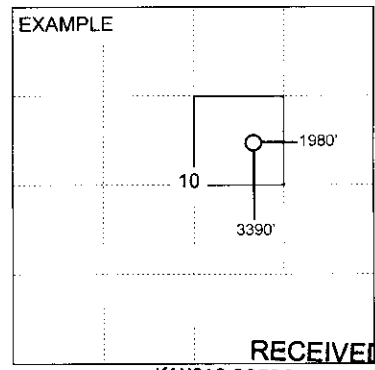
**If Section is Irregular, locate well from nearest corner boundary.**  
Section corner used:  NE  NW  SE  SW

**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.)*



330' from boundary of 10 acre pooled area



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WICHITA, KS

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

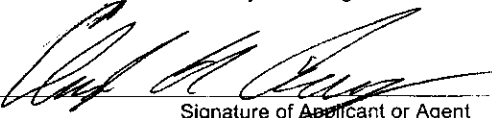
**In plotting the proposed location of the well, you must show:**

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).

**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: <b>SAMUEL GARY JR. AND ASSOCIATES, INC.</b>		License Number: <b>3882</b>
Operator Address: <b>1670 BROADWAY, SUITE 3300 DENVER, CO 80202-4838</b>		
Contact Person: <b>TOM FERTAL</b>		Phone Number: ( <b>303</b> ) <b>831 - 4673</b>
Lease Name & Well No.: <b>WONDRA-REIF 1-10</b>		Pit Location (QQQQ): <div style="text-align: center;"> <u>NE</u>   <u>SW</u>   <u>SE</u>  <u>10</u>   <u>17</u>   <u>10</u>            Sec. <u>34</u> Twp. <u>18</u> R. <u>10</u>   <input type="checkbox"/> East   <input checked="" type="checkbox"/> West  <u>1240</u> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section  <u>1540</u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section  <b>BARTON</b> County         </div>
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: <b>4000</b> (bbls)
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ 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? <b>NATIVE MUD AND CLAY</b>
Pit dimensions (all but working pits): <u>75</u> Length (feet) <u>75</u> Width (feet) <u>N/A</u> Steel Pits Depth from ground level to deepest point: <u>4</u> (feet)		
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.
Distance to nearest water well within one-mile of pit <u>4139</u> feet   Depth of water well <u>87</u> feet		Depth to shallowest fresh water <u>63</u> feet. Source of information: _____ measured   _____ well owner   _____ electric log <input checked="" type="checkbox"/> KDWR
<b>Emergency, Settling and Burn Pits ONLY:</b> 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		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: <u>FRESH MUD</u> Number of working pits to be utilized: <u>0</u> (Steel Tanks) Abandonment procedure: <u>ALLOW TO DRY, THEN BACKFILL</u> 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.		<b>RECEIVED</b> KANSAS CORPORATION COMMISSION
<u>OCTOBER 17, 2007</u> Date	 Signature of Applicant or Agent	<b>OCT 19 2007</b> CONSERVATION DIVISION WICHITA, KS

15-009-25118-0000

<b>KCC OFFICE USE ONLY</b>			
Date Received: <u>10/19/07</u>	Permit Number: _____	Permit Date: <u>10/22/07</u>	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

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