

District #
CORRECTED
10-27-07

For KCC Use:
Effective Date: 10-27-07
District #: 3
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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 KCC five (5) days prior to commencing well

Expected Spud Date October 5 2007
month day year

Spot East
NW1/4 NW1/4 NW1/4 Sec. 36 Twp. 13 S. R. 20 West
4840 feet from N / S Line of Section
4785 feet from E / W Line of Section
Is SECTION Regular Irregular?

OPERATOR: License# 31473
Name: BG-5 Inc.
Address: 3839 Ellis Road
City/State/Zip: Rantoul, KS 68079
Contact Person: Jimmie Patton
Phone: 785-241-4016

(Note: Locate well on the Section Plat on reverse side)
County: Douglas
Lease Name: Hadi Well #: 7
Field Name: Unknown Jayhawk
Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Squirrel

CONTRACTOR: License# 6142
Name: Town Oil Inc.

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

Nearest Lease or unit boundary: 165 feet MSL
Ground Surface Elevation: 1050 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: 140
Depth to bottom of usable water: 200-350
Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 40'
Length of Conductor Pipe required: _____
Projected Total Depth: 900'
Formation at Total Depth: _____
Water Source for Drilling Operations: Well Farm Pond Other X
DWR Permit #: _____

If QWVO: 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 #: _____

X WAS: District 2
IS: District 3

AFFIDAVIT

RECEIVED

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:

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: 9-28-07 Signature of Operator or Agent: Trent Burkholder Title: Owner

For KCC Use ONLY
API # 15 - 045-21350-0000
Conductor pipe required None feet
Minimum surface pipe required 40 feet per Alt. (2)
Approved by: Rut 10-22-07 / Kut 10-23-07
This authorization expires: 4-22-08
(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: _____

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

OCT 01 2007

RECEIVED
KANSAS CORPORATION COMMISSION
WICHITA, KS

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