

For KCC Use: 10-13-07
 Effective Date: _____
 District # _____
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

Corrected

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 commencement

10-29-07
CORRECTED

Expected Spud Date 10-25-2007
 month day year

OPERATOR: License# 5822
 Name: VAL Energy Inc.
 Address: 200 West Douglas #520
 City/State/Zip: Wichita, Kansas 67202
 Contact Person: K. Todd Allam
 Phone: 316-263-6688

CONTRACTOR: License# 5822
 Name: VAL Energy Inc.

Well Drilled For:	Well Class:	Type Equipment:
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input type="checkbox"/> Infield
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input checked="" type="checkbox"/> Pool Ext.
<input type="checkbox"/> QWAD	<input checked="" type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic; # of Holes	<input type="checkbox"/> Other	<input type="checkbox"/> Cable
<input type="checkbox"/> Other		<input checked="" type="checkbox"/> Mud Rotary
		<input checked="" type="checkbox"/> Air Rotary

Spot SWSW - SWSW - SWSW Sec. 9 Twp. 34 S. R. 11
 East
 West
100 feet from N / S Line of Section
100 feet from E / W Line of Section
 Is SECTION _____ Regular _____ Irregular?

(Note: Locate well on the Section Plat on reverse side)
 County: Barber
 Lease Name: Talbott Well #: SWD
 Field Name: _____
 Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): arbutckle
 Nearest Lease or unit boundary: 100
 Ground Surface Elevation: 1356 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: 180
 Depth to bottom of usable water: 180
 Surface Pipe by Alternate: 1 2
 Length of Surface Pipe Planned to be set: 250
 Length of Conductor Pipe required: _____
 Projected Total Depth: 5500
 Formation at Total Depth: arbutckle
 Water Source for Drilling Operations:
 Well Farm Pond Other _____
 DWR Permit #: _____

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: 100' FSL, 100' FWL
 IS: 150' FSL, 150' FWL*

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

AFFIDAVIT

RECEIVED KANSAS CORPORATION COMMISSION
 RECEIVED KANSAS CORPORATION COMMISSION
 OCT 26 2007
 OCT 01 2007
 CONSERVATION DIVISION
 WICHITA, KS

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 slurry down the hole and casing 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: 10-1-2007 Signature of Operator or Agent: K. Todd Allam Title: President

For KCC Use ONLY
 API # 15 - 007-23212-0000
 Conductor pipe required None feet
 Minimum surface pipe required 200 feet per Alt 1
 Approved by: Rut 10-8-07 / Rut 10-29-07
 This authorization expires: 4-8-08
 (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 (GP-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: _____

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11W*