

For KCC Use: 11-4-07
 Effective Date: _____
 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 20, 2007
 month day year

OPERATOR: License# 4567 ✓
 Name: D.E. Exploration, Inc.
 Address: P.O. Box 128
 City/State/Zip: Wellsville, KS 66092
 Contact Person: Douglas G. Evans
 Phone: (785) 883-4057

CONTRACTOR: License# 5989
 Name: Finney Drilling Company

<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield	<input checked="" type="checkbox"/> Mud Rotary
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> OWWO	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat	<input type="checkbox"/> Cable
<input type="checkbox"/> Seismic; _____ # of Holes	<input type="checkbox"/> Other		
<input type="checkbox"/> Other: _____			

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 #: _____

Spot East
 SWSW - SW - NE Sec. 28 Twp. 22 S. R. 16 West
2940 feet from N / S Line of Section
2460 feet from E / W Line of Section
 Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
 County: Coffey
 Lease Name: Flake Well #: R-6
 Field Name: Neosho Falls - Leroy
 Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Squirrel
 Nearest Lease or unit boundary: 180'
 Ground Surface Elevation: n/a 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: 100+
 Depth to bottom of usable water: 200+
 Surface Pipe by Alternate: 1 2
 Length of Surface Pipe Planned to be set: 40'
 Length of Conductor Pipe required: none
 Projected Total Depth: 1,075'
 Formation at Total Depth: Squirrel
 Water Source for Drilling Operations:
 Well Farm Pond Other _____
 DWR Permit #: _____
 (Note: Apply for Permit with DWR)
 Will Cores be taken? Yes No
 If Yes, proposed zone: _____

AFFIDAVIT

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 KANSAS CORPORATION COMMISSION

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:

OCT 15 2007
 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 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: October 15, 2007 Signature of Operator or Agent: Donna Thanda Title: Agent

For KCC Use ONLY
 API # 15 - 031-22343-0000
 Conductor pipe required None feet
 Minimum surface pipe required 40 feet per Alt. 102
 Approved by: [Signature] 10-30-07
 This authorization expires: 10-30-08
 (This authorization void if drilling not started within 12 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 26 2007

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 WICHITA, KS

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 22
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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 - 031-22343-0000
 Operator: D.E. Exploration, Inc.
 Lease: Flake
 Well Number: R-6
 Field: Neosho Falls - Leroy
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: SWSW - SW - NE

Location of Well: County: Coffey
 2940 _____ feet from N / S Line of Section
 2460 _____ feet from E / W Line of Section
 Sec. 28 Twp. 22 S. R. 16 East West

Is Section: Regular or Irregular

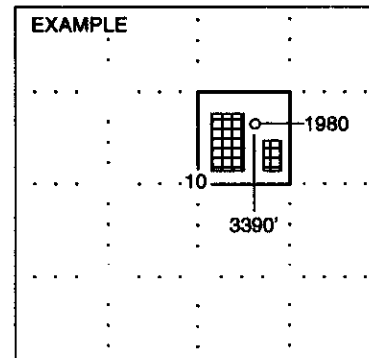
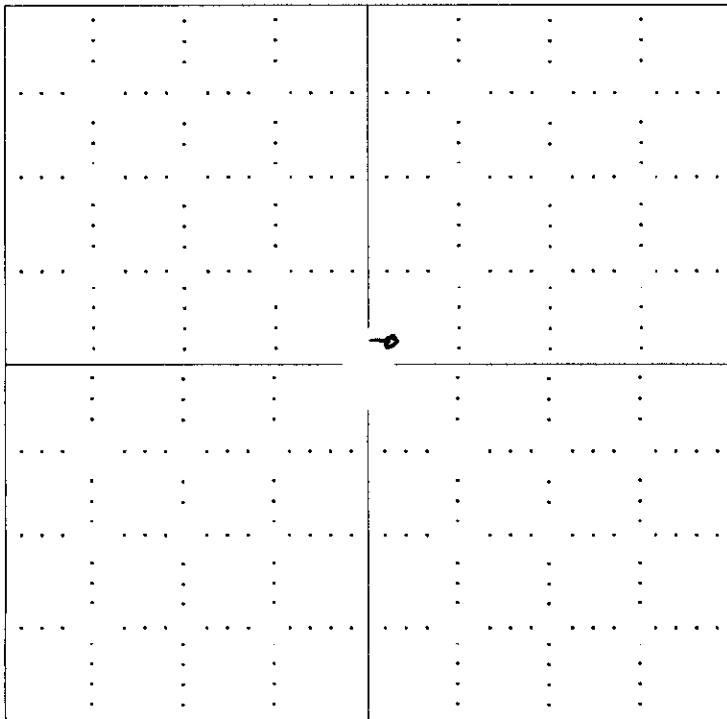
If Section is Irregular, locate well from nearest corner boundary.

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.)



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: D.E. Exploration, Inc.		License Number: 4567
Operator Address: P.O. Box 128, Wellsville, KS 66092		
Contact Person: Douglas G. Evans		Phone Number: (785) 883 - 4057
Lease Name & Well No.: Flake R-6		Pit Location (QQQQ): SW SW SW NE
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: 400 (bbls)	Sec. 28 Twp. 22 R. 16 <input checked="" type="checkbox"/> East <input type="checkbox"/> West 2940 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 2460 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Coffey County
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? native clay
Pit dimensions (all but working pits): 10 Length (feet) 10 Width (feet) _____ N/A: Steel Pits Depth from ground level to deepest point: 5 (feet)		
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determine liner integrity, including any special monitoring.
		RECEIVED KANSAS CORPORATION COMMISSION OCT 15 2007 CONSERVATION DIVISION WICHITA, KS
Distance to nearest water well within one-mile of pit 499 feet Depth of water well 35 feet	Depth to shallowest fresh water 15 feet. Source of information: _____ measured _____ well owner _____ electric log 1 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: drilling mud Number of working pits to be utilized: 2 Abandonment procedure: air dry and backfill Drill pits must be closed within 365 days of spud date.	RECEIVED KANSAS CORPORATION COMMISSION OCT 26 2007
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.		CONSERVATION DIVISION WICHITA, KS
October 15, 2007 Date	 Signature of Applicant or Agent	

15-031-22343-0000

KCC OFFICE USE ONLY			
Date Received: 10/15/07	Permit Number: _____	Permit Date: 10/15/07	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

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

15031-22343-000

D.E. Exploration, Inc.
P.O. Box 128
Wellsville, KS 66092
Office: 785-883-4057—Fax: 785-883-2538
deexploration@earthlink.net

October 19, 2007

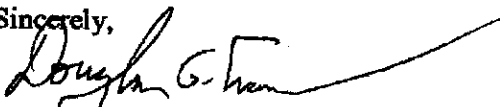
Richard Snider
Box 177
LeRoy, KS 66857

RE: Notice of Intent To Drill
Flake R-6
2940' FSL, 2460' FEL, Sec. 28-T22S-R16E
Coffey County,

Dear, Mr. Snider,

We are notifying you that we will be drilling a well approximately 499 feet from a fresh water well that has a total depth of 35 feet. Eastern Kansas Surface Casing Order #133,891-C for Area 3, paragraph 2 states, "No well shall be drilled closer than 660 feet of an existing domestic or municipal water well without written notification, a copy of which must be attached to the drilling intent form during filing. Special casing and cementing requirements may be imposed in those areas producing fresh and usable water." We will be setting 40 feet of surface casing, using a mud drilling rig, total depth approximately 1000 feet.

Sincerely,


Douglas G. Evans, President
D.E. Exploration, Inc.

DGE/st

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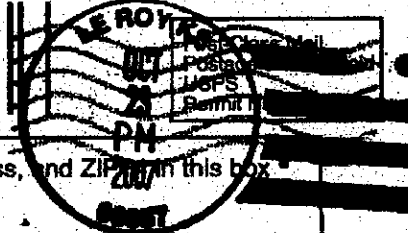
CONSERVATION DIVISION
WICHITA, KS

15-031-22343-0000

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input checked="" type="checkbox"/> <i>Beth Snider</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>Beth Snider</i> C. Date of Delivery <i>10-23-07</i></p>
<p>1. Article Addressed to: <i>Richard Snider Box 177 Le Roy, KS 66857 Flake R-6</i></p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>
<p>2. Article Number (Transfer from service label) <i>7006 2150 0002 4641 2712</i></p>	<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540</p>	

UNITED STATES POSTAL SERVICE
TOPEKA, KS 666

23 OCT 2007 PM 11



• Sender: Please print your name, address, and ZIP in this box

D.E Exploration Inc.
 516 Main - P.O. Box 128
 Wellsville, KS 66092

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 CONSERVATION DIVISION
 WICHITA, KS