

For KCC Use: Effective Date: 11-4-07
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 11/10/2007
month day year

OPERATOR: License# 32864
Name: XTO Energy, Inc.
Address: 210 Park Ave., Ste. 2350
City/State/Zip: Oklahoma City, OK 73102
Contact Person: Ashley Lane
Phone: 405-319-3268

CONTRACTOR: License# 33784
Name: Cheyenne Drilling, LP - Trinidad Drilling Limited Partnership

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

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 NE - SW - SW Sec. 17 Twp. 26 S. R. 36 East West
1250 feet from N / S Line of Section
1250 feet from E / W Line of Section
Is SECTION Regular Irregular?

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

County: Kearny
Lease Name: Lee Well #: 17-3-17
Field Name: Hugoton/ Panama

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Krider, Winfield, Towanda, Ft. Riley, Wreford, Council Grove, Funston, Middleburg

Nearest Lease or unit boundary: 1250'

Ground Surface Elevation: 3039' 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: 400'

Depth to bottom of usable water: 700'

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 420'

Length of Conductor Pipe required: none

Projected Total Depth: 3000'

Formation at Total Depth: Neva Limestone

Water Source for Drilling Operations:

Well Farm Pond Other Hauled in

DWR Permit #: _____

(Note: Apply for Permit with DWR)

Will Cores be taken? Yes No

If Yes, proposed zone: _____

PRORATED & SPACED: HUGOTON-PANOMA

AFFIDAVIT

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 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: 10/24/07 Signature of Operator or Agent: Ashley Lane Title: Regulatory Analyst

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OCT 26 2007
CONSERVATION DIVISION

For KCC Use ONLY
API # 15 - 093-21815-0000
Conductor pipe required None feet
Minimum surface pipe required 420 feet per Alt. X(2)
Approved by: 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: _____

17
210
36W

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

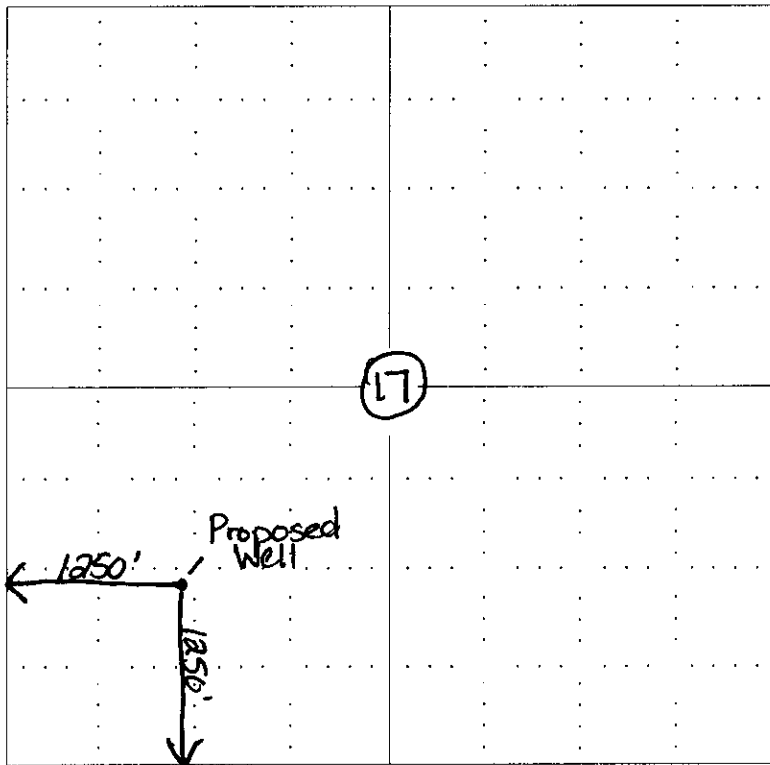
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 - 093-21815-0000
 Operator: XTO Energy, Inc.
 Lease: Lee
 Well Number: 17-3-17
 Field: Hugoton/ Panama
 Number of Acres attributable to well: 640
 QTR / QTR / QTR of acreage: NE - SW - SW

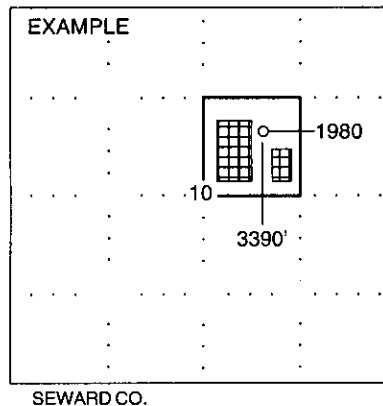
Location of Well: County: Kearny
 1250 _____ feet from N / S Line of Section
 1250 _____ feet from E / W Line of Section
 Sec. 17 Twp. 26 S. R. 36 East West
 Is Section: Regular or Irregular
If Section is Irregular, locate well from nearest corner boundary.
 Section corner used: NE NW SE SW

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.)*



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 WICHITA, KS



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

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: (C0-7 for oil wells; CG-8 for gas wells).

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

API NUMBER 15- 093-21815-0000

LOCATION OF WELL: COUNTY Kearny

OPERATOR XTO Energy, Inc.

LEASE Lee

WELL NUMBER 17-3-17

FIELD Hugoton / Panoma

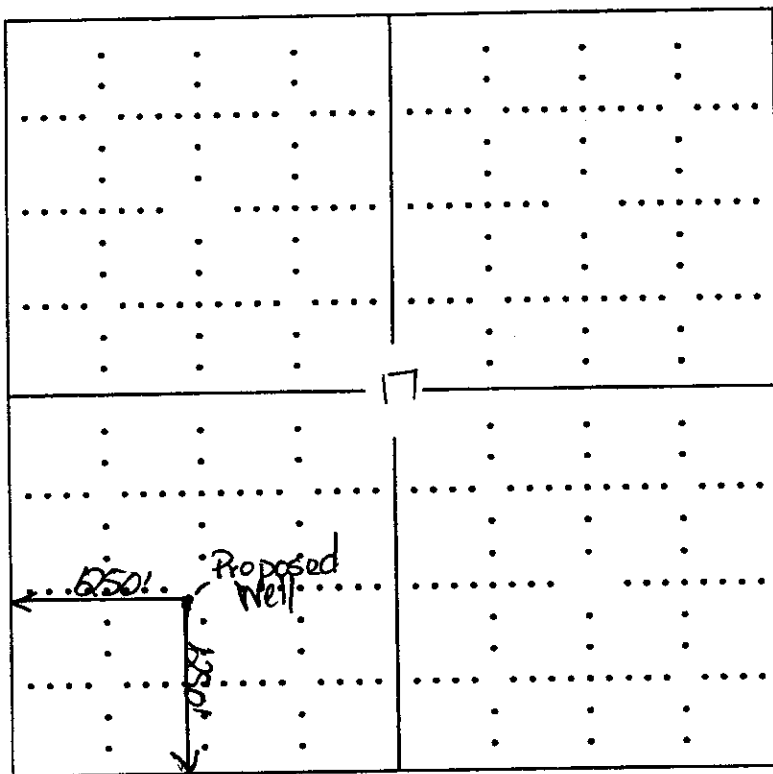
1250 feet from south/north line of section
1250 feet from east / west line of section

NUMBER OF ACRES ATTRIBUTABLE TO WELL 640

QTR/QTR/QTR OF ACREAGE NE - SW - SW

SECTION 17 TWP 26 (S) RG 36 E/W
 IS SECTION X REGULAR or IRREGULAR
 IF SECTION IS IRREGULAR, LOCATE WELL FROM
 NEAREST CORNER BOUNDARY. (check line below)
 Section corner used: NE NW SE SW

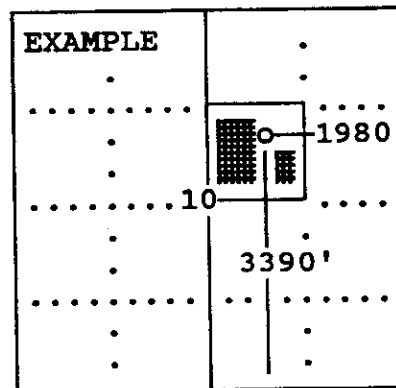
(Show the location of the well and shade attributable acreage for prorated or spaced wells).
 (Show the footage to the nearest lease or unit boundary line; and show footage to the nearest common source supply well).



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 WICHITA, KS



SEWARD CO.

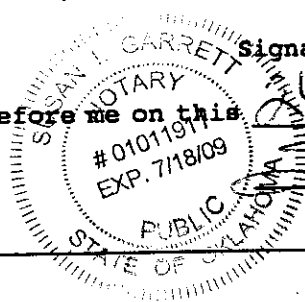
The undersigned hereby certifies as Regulatory Analyst (title) for

XTO Energy, 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 Ashley Lane
 Subscribed and sworn to before me on this 24th day of October, 2007



Susan J. Garrett
 Notary Public


My Commission expires _____

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form CDP-1
April 2004
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: XTO Energy, Inc.		License Number: 32864
Operator Address: 210 Park Ave., Ste. 2350		
Contact Person: Ashley Lane		Phone Number: (405) 319 - 3268
Lease Name & Well No.: Lee 17-3-17		Pit Location (QQQQ): NE NE SW SW
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: _____ (bbls)	Sec. 17 Twp. 26 R. 36 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1250 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 1250 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Kearny _____ 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? Earthen
Pit dimensions (all but working pits): 150 Length (feet) 150 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. Earthen	Describe procedures for periodic maintenance and determine liner integrity, including any special monitoring. <div style="text-align: right;">RECEIVED KANSAS CORPORATION COMMISSION OCT 26 2007 CONSERVATION DIVISION WICHITA, KS</div>	
Distance to nearest water well within one-mile of pit 3072 +/- 4250 feet Depth of water well 280 feet	Depth to shallowest fresh water 400 87 feet. Source of information: _____ measured _____ well owner _____ electric log <input checked="" type="checkbox"/> 6 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: Native Soil Number of working pits to be utilized: 1 Abandonment procedure: Evaporation & close _____ 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. <div style="display: flex; justify-content: space-between;"><div>Date: 10/24/07</div><div> Signature of Applicant or Agent</div></div>		

15-093-21815-0000

KCC OFFICE USE ONLY		<i>Normal</i>
Date Received: 10/26/07	Permit Number: _____	Permit Date: 10/30/07 Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No