

FIRST CORRECTED 4-11-07

For KCC Use: Effective Date: 4-15-07 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 4 18 2007 month day year NW

Spot NE SE NE Sec. 33 Twp. 28 S. R. 22 East West 3945 feet from N / S Line of Section 335 feet from E / W Line of Section Is SECTION Regular Irregular?

OPERATOR: License# 7231 Name: Ronald W. Stephens dba Stephens Oil Co. Address: 1818 S. Eddy Ft. Scott, Ks. City/State/Zip: Contact Person: Ronald W. Stephens Phone: (620) 223-2718

County: Crawford Lease Name: Meyer Well #: 13 Field Name: Walnut SE

CONTRACTOR: License# 33734 Name: HAT Drilling LLC

Is this a Prorated / Spaced Field? Yes No Target Formation(s): Bartlesville Nearest Lease or unit boundary: 335 ft

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

Ground Surface Elevation: 1018 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: 1100 Depth to bottom of usable water: 1100 Surface Pipe by Alternate: 1 2 Length of Surface Pipe Planned to be set: 20 ft Length of Conductor Pipe required: None Projected Total Depth: 400 ft Formation at Total Depth: Bartlesville Water Source for Drilling Operations: Well Farm Pond Other DWR Permit #: (Note: Apply for Permit with DWR)

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 API: 15033214920000 * IS API: 15037219000000

AFFIDAVIT

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APR 09 2007

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: 4-4-07 Signature of Operator or Agent: Ronald W. Stephens Title: OWNER

For KCC Use ONLY 15-037-21900-00-00 API # 15 - 033-21492-00-00 Conductor pipe required NONE feet Minimum surface pipe required 20 feet per Alt. X 2 Approved by: WTHM 4-10-07 / WTHM 4-11-07 This authorization expires: 10-10-07 (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. [X] Well Not Drilled Permit Expired Signature of Operator or Agent: Ronald W. Stephens Date: 10-4-07

33 28 22

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

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