For KCC Use:	1-12-08
Effective Date:	70-00
District #	<u>,</u>
and Cha C	7 .

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

Segundary Operating Corporation Address: 7230 W. 162nd Street, Suite A Originary Operating Corporation Address: 7230 W. 162nd Street, Suite A Originary Operating Corporation Address: 7230 W. 162nd Street, Suite A Originary Operating Corporation Is SECTION X. Regular Imagelar: Imagelar Imagelar Imagelar Imagelar Imagelar Imagelar Image	SOM! LIES FIND		·	,	e (5) days prior to commencing well All blanks must be I	"INOC
Section Note	Expected Spud Date	1	28	2008		
OPERATOR: Locroses 3397 John Section		month	day	y o ar	SW. SE SE Sec. 13 Twp. 16 S. R. 24	Nest
Norme Canary Operating Corporation	OPERATOR: Licensed	33677 /			leet from N / X 6 Line of decide	
Address: 7230 W. 162nd Street, Suite A	Canani	Operating Co	orporation		990 feet from XE / W Line of Section	1
Contract Person Stative Allies	7220 181 482	nd Street, Su	ıite A		Is SECTION X Regular Irregular?	
Contract Persons 313-99 Contract Persons 337-99 Contract Persons 337-99 Contract Persons 337-99 Contract Persons 337-99 Name: Brugger Paola-Rantout/?) Is this a Processed Special Fair To Work Class: Type Equipment: On the Persons of Special Fair To Topy I were [X] No Target Formation(s): Matternation & Cherrokee Coals Never Differed For: Work Class: Type Equipment: On the Coalse Session: a of Holder Cashe Session: a of Holder Cashe Coalse Coalse Session: a of Holder Cashe Coalse Coalse Session: a of Holder Cashe Coalse	City/State/7m. Stifwell				(Note: Locate well on the Section Plat on reverse side)	
Phone: 913-239-9696 CONTRACTOR Lorense 33799	Contact Person: Steve	Allee			· .	
CONTRACTOR: Licensed 33799	049 020	8960				6-24
Search Control Contr						
Name	CONTRACTOR: Licenself	33799				CÍNO
Nearrest Lases or unit boundary; 330' Set from Topo) Test MSL	Name: Canary	Drilling, inc.	******		Target Formation(s): Marmaton & Cherokee Coals	
Ground Surface Elevation: 1052 (Est. Trom Topo) feet MSL War Potary Must Potary Mu	Wall Drillad For	Wall Class	· Time	Earlmount:	Nearest Lease or unit boundary: 330'	
Vester west within one-quarter mile: vester west within one-quarter mile: vester west within one mile: vester west west west west west west west west	,	_		· ·	Ground Surface Elevation: 1052 (Est. from Topo) feet	MSL
Public water supply well within one mile: yee X No Depth to bottom of fresh water: 250" +/- (KCC) Depth to bottom of fresh water: 250" +/- (KCC) Depth to bottom of fresh water: 250" +/- (KCC) Depth to bottom of fresh water: 250" +/- (KCC) Depth to bottom of fresh water: 250" +/- (KCC) Depth to Depth Toleration of fresh water: 250" +/- (KCC) Depth to Depth Toleration of fresh water: 250" +/- (KCC) Depth to Depth Toleration Depth Depth Toleration Depth Toleration Depth Depth Toleration Depth		🖳			Water well within one-quarter mile:	No
Selismic; # of Holes		·				No
Depth to bottom of usable valar:		السيا		-8019		
Surface Pipe Bry Alternate:	H	INUIES Uniter			Depth to bottom of usable water: 300' +/- (KCC)	
Conductor Pipe required: Nome N	Other				Surface Pipe by Alternate: 1 X 2	
Well Name: Original Completion Date: Original Depth: O	If OWWO: old well informa	ation as follows:			Langur or correct i per reminer to be set.	
Original Completion Date:Original Total Depth:Formation at Total Depth:Cabaniss	Operator:					
Unrectional, Deviated or Horizontal wellbore?	Well Name:				Projected form Septific	
West Farm Pond Other X	Original Completion De	ate:	_Original Tota	i Depth:	Formation at Total Depth: Cabaniss	
If Yes, true vertical depth:: DWR Permit #:	B		_			
Bottom Hole Location:				<u> </u>		
Will Cores be taken?	•					
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 appropriate office prior to spudding of well; 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 hote, 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 comented in; 8. If an ALTERNATE II COMPLETION, production pipe shall be cemerated from below any usable water to surface within 120 days of spud date. Or pursuant to Appendix "9" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate il 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 between the statements made herein are true and to the between the plugged. In all cases, NOTIFY district office prior to any cementing. For Canary Operating Corporation File Completion Form ACO-1 within 120 days of spud date: File Completion Form ACO-1 within 120 days of spud date: File Completion Form ACO-1 within 120 days of spud date: File Completion Form ACO-1 within 120 days of spud date: File Completion Form ACO-1 within 120 days of spud date: File Completion Form ACO-1 within 120 days of spud date: File Completion Form ACO-1 within 120 days of spud date:					(Note: Apply for Permit with DWR	_
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 appropriate district office prior to spudding of well; 2. A copy of the appropriate district office prior to spudding of well; 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 pluggling; 5. The appropriate district offics 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 "5" - Eastern Kansas surface casing order it 33,881-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 legisl. Date: 12/31/07 Signature of Operator or Agent: For KCC Use ONLY API # 15 - 12 1 - 28 5 5 2 0000 Approved by: **LAME* - 7 - CP*** Title: File ornale static office 48 hours prior to workover or re-entry; - Submit plugging report (CP-4) after plugging is completed; - Notity appropriate district office 48 hours prior to workover or re-entry; - Submit plugging report (CP-4) after plugging is completed; - Notity appropriate district office 48 hours prior to workover or re-entry; - Submit plugging report (CP-4) after plugging is completed; - Notity appropriate district office appri	KCC DKT #:					No
The undereigned 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 appropriate district office prior to spudding of well; 3. The minimum amount of surface pipe as specified below shalf be set by circulating cement to the top; in all cases surface pipe shalf 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. Thereby certify that the statements made herein are true and to the best of my knowledge and letting. For KCC Use ONLY API # 15 - 12 1 - 28 5 5 2 - 200 For KCC Use ONLY API # 15 - 12 1 - 28 5 5 2 - 200 In the province of Operator or Agent: Fello Completion Form ACC-1 within 120 days of spud date: File Completion Form ACC-1 within 120 days of spud date: File Completion Form ACC-1 within 120 days of spud date: File Completion Form ACC-1 within 120 days of spud date: File completion form CDP-1) with Intent to Drill; File Completion Form ACC-1 within 120 days of spud date: File Completion Form ACC-1 within 120 days of spud date: File completion form ACC-1 within 120 days of spud date: File completion form ACC-1 within 120 days of spud date: Obtain written					If Yes, proposed zone:	
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 pluggling; 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 18" - 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, NOTNFY district office prior to any cementing. I hereby certify that the statements made herein are true and to the best of my knowledge,and liked. Date: 12/31/07 Signature of Operator or Agent: Title: For Canary Operating Corporation For Canary Operating Corporation For MCC Use ONLY Approved by: **Last** - 7-C8*** This sutherization plus according to field proration orders; Submit plugging report (CP-4) with intent to Drill; File Completion Form ACO-1 within 120 days of spud date; File completion form ACO-1 within 120 days of spud date; File completion form ACO-1 within 120 days of spud date; File completion form ACO-1 within 120 days of spud date; File completion form ACO-1 within 120 days of spud date; File completion form ACO-1 within 120 days of spud date; File completion form ACO-1 within 120 days of spud date; File completion form ACO-1 within 120 days of spud date; File completion form ACO-1 within 120 days of spud date; File prill principle according to filed progra			•	etion and eventual p		
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 pluggling; 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 "8" - 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 height. Date: 12/31/07 Signature of Operator or Agent: For Canary Operating Corporation For KCC Use ONLY API # 15 - 28 5 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	=	-	•			
For Canary Operating Coveration Remember to: For KCC Use ONLY API # 15 - 12 1 - 28 5 5 2 - DDDD File Drill Pit Application (form CDP-1) with Intent to Drill; File Completion Form ACO-1 within 120 days of sput date; File acresge attribution plant according to field proration orders; Notify appropriate district office 48 hours prior to workover or re-entry; Approved by: fust 1 - 7 - DP This authorization expires: 1 - 7 - 09 (This authorization void if drilling not started within months of approval date.) Spud date: Agent:	3. The minimum amouthrough all unconso 4. If the well is dry ho 5. The appropriate dis 6. If an ALTERNATE I Or pursuant to App must be completed	ant of surface planticated materials le, an agreement trict office will be I COMPLETION rendix "8" - East within 30 days of and surface planticated surface within 30 days of and surface within 30 days of and and and and and and and and	pe as specifies plus a minimate between the notified beken, production permisers and distributed bekens as sof the spud discountry.	ad below shalf be a num of 20 feet into t a operator and the one well is either plu- pipe shall be cemen surface casing order ate or the well shall	et by circulating cement to the top; in all cases surface pipe shall be set the underlying formation. district office on plug length and placement to necessary prior to pluggingged or production casing is cemented in; ted from below any usable water to surface within 120 days of spud date. #133,891-C, which applies to the KCC District 3 area, alternate II cemer be plugged. In all cases, NOTEFY district office prior to any cementing.	nting
For Canary Operating Coveration Remember to: For KCC Use ONLY API # 15 - 12 1 - 28 5 5 2 - DDDD File Drill Pit Application (form CDP-1) with Intent to Drill; File Completion Form ACO-1 within 120 days of sput date; File acresge attribution plant according to field proration orders; Notify appropriate district office 48 hours prior to workover or re-entry; Approved by: fust 1 - 7 - DP This authorization expires: 1 - 7 - 09 (This authorization void if drilling not started within months of approval date.) Spud date: Agent:	40/04/07			$\mathcal{K}_{\mathcal{L}}$	R Add L	
For KCC Use ONLY API # 15	Date: 12/31/07	Signature of	Operator or			
API # 15 - 12 1 - 28 5 5 2 - DDDD Conductor pipe required None feet Minimum surface pipe required 20 feet per Alt. 12 Approved by: full - 7 - C8 This authorization void if drilling not started within function of approval date.) Spud date: Agent:	f			- Co Canaly Oper	Remember to:	
Conductor pipe required			_		- File Drill Pit Application (form CDP-1) with Intent to Drill;	Ł
Conductor pipe required	API # 15 - 121-	185527			- File Completion Form ACO-1 within 120 days of spud date;	-
- 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. This authorization void if drilling not started within months of approval date.) Spud date:		Non			,	W
Approved by:		2	<u> </u>	W.		"
Approved by:	1	•	1e	et per AR. $\sqrt{4}$ (2)	7 00 0 17 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	1
(This authorization void if drilling not started within fronths of approval date.) Spud date:Agent:	Approved by: Just	1-7-128	<u>. </u>			_
Comparison void if dritting not started within if months of approval date Valid Not Drilled - Permit Expired	Yhle authorization expires	<u>. /-7-0'</u>	7			6
Spud date: Agent: Signature of Operator or Agent Date:	(This authorization void if	drilling not started	within fmonth	s of approval date.)		Ī
Date:			72.			1 &
1.8	Spud date:	Agent: _				戈,
Mail to: KCC - Conservation Division, 130 S. Merket - Room 2078, Wichita, Kansas 67202	· · · · · · · · · · · · · · · · · · ·					1

RECEIVED KANSAS CORPORATION COMMISSION:

JAN 04 2008

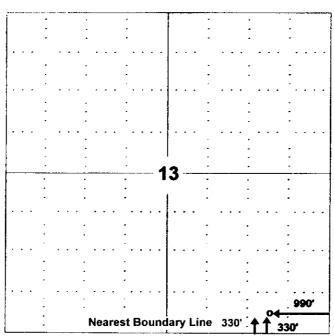
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

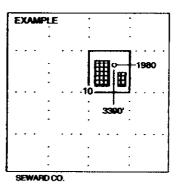
Plat of acreage attributable to a well in a prorated or spaced field

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 - /21-28552-0000	Location of Well: County: Miami
Operator: Canary Operating Corporation	
Lease: Brugger	990 feet from X E / W Line of Section
Well Number: 63-13-16-24	Sec. 13 Twp. 16 S. R. 24 X East Wes
Field: Louisburg (Paola-Rantoul?)	
Number of Acres attributable to well:	ts Section: 🕱 Regular or 🗌 Irregular
QTR / QTR / QTR of acreage:	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 locaton.

Miami Co.

in plotting the proposed location of the well, you must show:

- 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.
- 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).

RECEIVED
KANSAS CORPORATION COMPTS ALCH

JAN 0 4 2008

CONSERVATION DIVISION WICHITA, KS

Kansas Corporation Commission Oil & Gas Conservation Division

Form CDP-1 April 2004 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

P-2	·				
Operator Name: Canary Operating Corporation			License Number: 33677		
Operator Address: 7230 W. 162nd Street, Suite A, Stilwell, KS 66805					
Contact Person: Steve Allee			Phone Number: (913) 239 - 8960		
Lease Name & Well No.: Brugger #63	-13-16-24		Pit Location (QQQQ):		
Type of Pit:	Pit is:		SW _ SE _ SE		
Emergency Pit Burn Pit	X Proposed	Existing	Sec. 13 Twp. 16 R. 24 X East West		
Settling Pit X Drilling Pit	If Existing, date of	constructed:	330 Feet from North / X South Line of Section		
Workover Pit Haul-Off Pit	Pit capacity:		990 Feet from x East / West Line of Section		
(If WP Supply API No. or Year Drilled)	1)+/- (bbis)	Miami County		
Is the pit located in a Sensitive Ground Water	Area? Yes	K No	Chloride concentration: NA mg/l		
Is the bottom below ground level?	Artificial Liner?		(For Emergency Pits and Settling Pits only)		
X Yes No	Yes X	No	How is the pit lined if a plastic liner is not used? Native clay(s) in soil		
Pit dimensions (all but working pits):	20 Length (f	net) 8	Width (feet) N/A: Steel Pits		
	om ground level to d	-	6 (feet)		
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. Constant on-site maintenance during drilling and completion operations			
Distance to nearest water well within one-mile of pit None 1980 Depth of water well 245 feet		Depth to shallowest fresh water NA Source of information:			
Emergency, Settling and Burn Pits ONLY:		Drilling, Workover and Heul-Off Pits ONLY:			
Producing Formation:		Type of material utilized in drilling/workover: Air with mist			
Number of producing wells on lease:		Number of working pits to be utilized:1			
Barrels of fluid produced daily:		Abendonment procedure: Let water evaporate then back fill			
Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No		pit_with soil 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.					
12/31/07 Date Signature of Applicant or Agent For Canary Operating Corporation					
KCC OFFICE USE ONLY					
Date Received: 1/4/08 Permit Numb	oer:	Permit	Dete: 1/4/08 Lease Inspection: Yes No		

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

5-121-28-552-000

RECEIVED KANSAS CORPORATION COMMUNICATION