1010145

For KCC Use:
Effective Date: 7-8-07
District # 3
SGA? [X] Yes [ ] No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form C-1
November 2005
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: 07/05/2007 (month / day / year)

OPERATOR: License# 5150
Name: Colt Energy Inc
Address 1: P.O. Box 388
Address 2:
City: Iola State: KS Zip: 66749 + _ _ _ _
Contact Person: DENNIS KERSHNER
Phone: 620-365-3111

CONTRACTOR: License# 5989
Name: Finney, Kurt

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

[ ] If OWWO: old well information as follows:

Operator:
Well Name:
Original Completion Date: ____ Original Total Depth:

Directional, Deviated or Horizontal wellbore? [ ] Yes [X] No
If Yes, true vertical depth:
Bottom Hole Location:
KCC DKT #:

Spot Description:
NW - SE - NW - NE (Q/Q/Q/Q) Sec. 11 Twp. 23 S. R. 16 [X] E [ ] W
4,560 feet from [ ] N / [X] S Line of Section
1,930 feet from [X] E / [ ] W Line of Section
Is SECTION: [ ] Regular [X] Irregular?

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

County: Coffey
Lease Name: BEARD Well #: 11
Field Name: NEOSHO FALLS-LEROY
Is this a Prorated / Spaced Field? [ ] Yes [X] No
Target Formation(s): LOWER SQUIRREL
Nearest Lease or unit boundary line (in footage): 720
Ground Surface Elevation: 984 feet MSL
Water well within one-quarter mile: [ ] Yes [X] No
Public water supply well within one mile: [ ] Yes [X] No
Depth to bottom of fresh water: 20
Depth to bottom of usable water: 200
Surface Pipe by Alternate: [ ] I [X] II
Length of Surface Pipe Planned to be set: 40
Length of Conductor Pipe (if any):
Projected Total Depth: 1020
Formation at Total Depth: UPPER CHEROKEE
Water Source for Drilling Operations:
[ ] Well [ ] Farm Pond [ ] Other:
DWR Permit #:
(Note: Apply for Permit with DWR [ ])
Will Cores be taken? [X] Yes [ ] No
If Yes, proposed zone: LOWER SQUIRREL

AFFIDAVIT

RECEIVED KANSAS CORPORATION COMMISSION JAN 22 2008 CONSERVATION DIVISION WICHITA, KS

RECEIVED KANSAS CORPORATION COMMISSION JUL 02 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 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: 6-28-07 Signature of ~~Operator or~~ Agent: Shirley Stotler Title: Production Clerk

For KCC Use ONLY
API # 15 - 031-22319-0000
Conductor pipe required 0 feet
Minimum surface pipe required 40 feet per ALT. [ ] I [X] II
Approved by: RJH 7-3-07
This authorization expires: 1-3-08
(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 (CP-4) after plugging is completed (within 60 days);
- 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** Date: 1-17-08
Signature of Operator or Agent: Shirley Stotler Production Clerk

11 23 16 [X] E [ ] W

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