

For KCC Use:

Effective Date: 5-21-08

District # 3

SGA? Yes No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Form C-1

October 2007

Form must be Typed

Form must be Signed

All blanks must be Filled

Expected Spud Date: May 25, 2008 month day year

OPERATOR: License# 33074 Name: Dart Cherokee Basin Operating Co LLC Address 1: 211 W Myrtle Address 2: City: Independence State: KS Zip: 67301 Contact Person: Jeff Hudson Phone: 620-331-7870

CONTRACTOR: License# 5675 Name: McPherson Drilling

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

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

Directional, Deviated or Horizontal wellbore? If Yes, true vertical depth: Bottom Hole Location: KCC DKT #:

Spot Description: SW SE NE Sec. 19 Twp. 33 S. R. 14 feet from feet from

Is SECTION: Regular Irregular?

County: Montgomery

Lease Name: C Kerstetter Well #: B4-19 Field Name: Cherokee Basin Coal Gas Area

Is this a Prorated / Spaced Field? Target Formation(s): Mississippian

Nearest Lease or unit boundary line (in footage): 340 Feet Ground Surface Elevation: 835 feet MSL

Water well within one-quarter mile: Public water supply well within one mile:

Depth to bottom of fresh water: 150' +/- Depth to bottom of usable water: 175'

Surface Pipe by Alternate: Length of Surface Pipe Planned to be set: 40'

Length of Conductor Pipe (if any): Projected Total Depth: 1696 Feet Formation at Total Depth: Mississippian

Water Source for Drilling Operations: Well Farm Pond Other:

DWR Permit #: Will Cores be taken? If Yes, proposed zone:

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:

RECEIVED KANSAS CORPORATION COMMISSION MAY 16 2008 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 correct to the best of my knowledge and belief.

Date: May 15, 2008 Signature of Operator or Agent: Jeff Hudson Title: Production Engineer

For KCC Use ONLY API # 15 - 125-31637-0000 Conductor pipe required None feet Minimum surface pipe required 20 feet per ALT. Approved by: This authorization expires: 5/16/09 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.

Well Not Drilled - Permit Expired Date: Signature of Operator or Agent:

19 33 14

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 - 125-31637-0000

Operator: Dart Cherokee Basin Operating Co LLC

Lease: C Kerstetter

Well Number: B4-19

Field: Cherokee Basin Coal Gas Area

Number of Acres attributable to well: 40

QTR/QTR/QTR/QTR of acreage: _____ - SW - SE - NE

Location of Well: County: Montgomery

3200 feet from N / S Line of Section

980 feet from E / W Line of Section

Sec. 19 Twp. 33 S. R. 14 E W

Is Section: Regular or Irregular

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

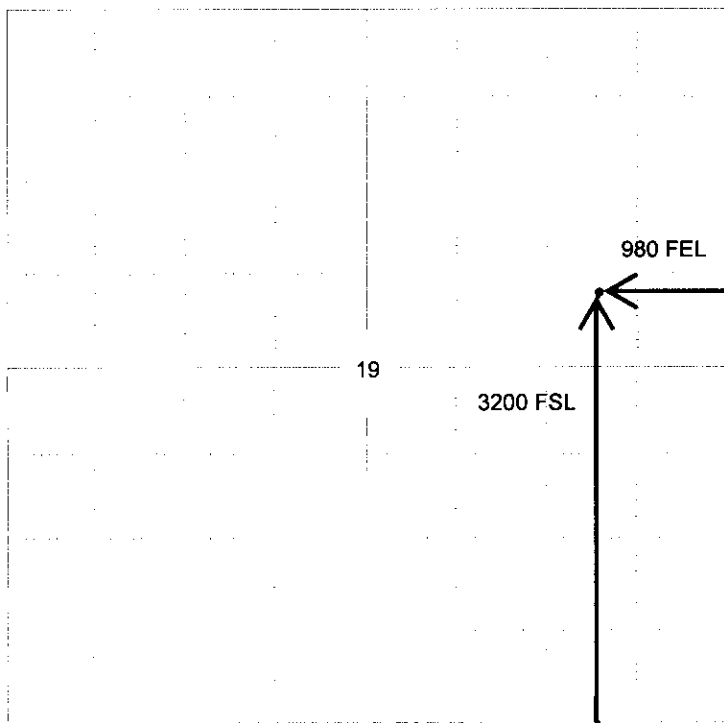
Section corner used: NE NW SE SW

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.)

T33S



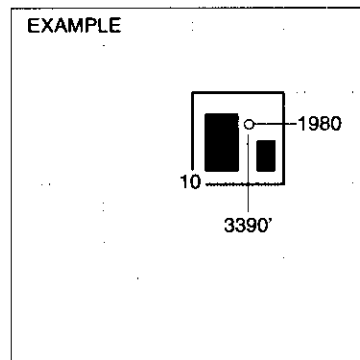
NOTE: In all cases locate the spot of the proposed drilling location.

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KANSAS CORPORATION COMMISSION

MAY 16 2008

CONSERVATION DIVISION
WICHITA, KS

R14E



Montgomery County


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 south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
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: Dart Cherokee Basin Operating Co LLC		License Number: 33074	
Operator Address: 211 W Myrtle		Independence KS 67301	
Contact Person: Jeff Hudson		Phone Number: 620-331-7870	
Lease Name & Well No.: C Kerstetter B4-19		Pit Location (QQQQ): SW SE NE Sec. <u>19</u> Twp. <u>33</u> R. <u>14</u> <input checked="" type="checkbox"/> East <input type="checkbox"/> West <u>3200</u> Feet from <input type="checkbox"/> North <input checked="" type="checkbox"/> South Line of Section <u>980</u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Montgomery County	
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: 926 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input 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? Natural Clays			
Pit dimensions (all but working pits): <u>35</u> Length (feet) <u>30</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>5</u> (feet) <input type="checkbox"/> No Pit			
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.	
Distance to nearest water well within one-mile of pit <u>4377</u> feet Depth of water well <u>100</u> feet		Depth to shallowest fresh water <u>14</u> feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> 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: <u>None</u> Air Rig Number of working pits to be utilized: <u>0</u> Abandonment procedure: Air Dry & Backfill 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.		RECEIVED KANSAS CORPORATION COMMISSION	
May 15, 2008 Date	 Signature of Applicant or Agent	MAY 16 2008 CONSERVATION DIVISION WICHITA, KS	
KCC OFFICE USE ONLY			
Date Received: <u>5/16/08</u> Permit Number: _____		Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>	
Permit Date: <u>5/16/08</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

15-125-21637-000