

For KCC Use: 10-1-08
Effective Date: 2
District #: 2
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form C-1
October 2007
CORRECTED
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: 11-07-08
month day year

OPERATOR: License# 33979
Name: Clipper Energy, LLC
Address 1: 3838 Oak Lawn #1310 Dallas, TX.75219
Address 2: _____
City: _____ State: _____ Zip: _____ + _____
Contact Person: Bill Robinson
Phone: 214-220-1080
CONTRACTOR: License# 33724
Name: Warren Drilling

Spot Description: _____
SW SW NW Sec. 9 Twp. 16 S. R. 10 E W
(00.00) 2,310 feet from N / S Line of Section
330 feet from E / W Line of Section

Is SECTION: Regular Irregular?
(Note: Locate well on the Section Plat on reverse side)
County: Ellsworth
Lease Name: Vacek Well #: 1
Field Name: WC
Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Arbuckle

Well Drilled For: Oil Gas Seismic; # of Holes _____
 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: _____

Nearest Lease or unit boundary line (in footage): 330
Ground Surface Elevation: 1805 ~~1805~~ 1850 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: 200
* Depth to bottom of usable water: 400 350
Surface Pipe by Alternate: ~~ALT I~~ ALT II
Length of Surface Pipe Planned to be set: 420
Length of Conductor Pipe (if any): na
Projected Total Depth: 3450
Formation at Total Depth: Arbuckle

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

Water Source for Drilling Operations:
 Well Farm Pond Other: truck
DWR Permit #: _____
(Note: Apply for Permit with DWR)
Will Cores be taken? Yes No
If Yes, proposed zone: _____

* WAS: Depth to bottom usable water 400; Surface pipe by Alt II
IS: " " " " " 350; " " " " Alt I
WAS: Minimum surface pipe 300' Alt II IS: 370' Alt I

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:

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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: 9-20-08 Signature of Operator or Agent: B. D. Title: agent

For KCC Use ONLY
API # 15 - 053-21230-00-00
Conductor pipe required none feet
* Minimum surface pipe required 370 feet per ALT. I II
Approved by: NH 9-26-08 / Kim 9-29-08
This authorization expires: 9-26-09
(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 (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: _____

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16
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 E
 W