

***CORRECTED**

For KCC Use:
Effective Date: 10-16-08
District #: 3
SGA? Yes No

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION**

Form C-1
October 2007
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: 10 month 10 day 08 year

Spot Description:
Sec. 25 Twp. 28 S. R. 18 E W
feet from N / S Line of Section
feet from E / W Line of Section

OPERATOR: License# 34019
Name: Us Energy LLC
Address 1: 20 Lakeview Dr.
Address 2:
City: Garnett State: Ks Zip: 66032
Contact Person: Jim Goad
Phone: 785-433-4141

Is SECTION: Regular Irregular?
(Note: Locate well on the Section Plat on reverse side)
County: Neosho
Lease Name: Co. Well # M 5

***CONTRACTOR:** License# 33977 33734
Name: Mat Drilling RB DMS

Field Name: unknown Urbana
Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Bartlesville

Well Drilled For: Oil Gas
Well Class: Infield Pool Ext. Wildcat Other
Type Equipment: Mud Rotary Air Rotary Cable
of Holes: Other:
 If OWWO: old well information as follows:

Nearest Lease or unit boundary line (in footage): 330
Ground Surface Elevation: _____ 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: 50
Depth to bottom of usable water: 400 / 50

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

Surface Pipe by Alternate: I II
Length of Surface Pipe Planned to be set: 20
Length of Conductor Pipe (if any): _____
Projected Total Depth: 600
Formation at Total Depth: Bartlesville

Directional, Deviated or Horizontal wellbore? Yes No

Water Source for Drilling Operations: Well Farm Pond Other:
DWR Permit #: _____

If Yes, true vertical depth: _____
Bottom Hole Location: _____
KCC DKT #: _____

(Note: Apply for Permit with DWR)
Will Cores be taken? Yes No

WAS: Contractor License 33977
IS: " " 33734

AFFIDAVIT

RECEIVED
KANSAS CORPORATION COMMISSION

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:

OCT 01 2008

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.

CONSERVATION DIVISION
WICHITA, KS

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 9-27-08 Signature of Operator or Agent: [Signature] Title: V.P.

For KCC Use ONLY
API # 15: 133-27497-0000
Conductor pipe required: None feet
Minimum surface pipe required: 20 feet per ALT. I II
Approved by: [Signature] 10-1-08 / 10-2-08
This authorization expires: 10-1-09
(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: _____

25 28 18