

For KCC Use: D-1-08  
 Effective Date: 4  
 District # 4  
 SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
 OIL & GAS CONSERVATION DIVISION

\* Added Expiration Date  
**CORRECTED** 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: 10/17/08  
 month day year

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

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

Spot Description:  
 ne  sw  NW  NE Sec. 32 Twp. 7 S. R. 21  E  W  
 (0000) 2,000 feet from  N /  S Line of Section  
 2,180 feet from  E /  W Line of Section

Is SECTION:  Regular  Irregular?   
 (Note: Locate well on the Section Plat on reverse side)  
 County: Graham  
 Lease Name: Hart Well #: 1  
 Field Name: w/c  
 Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Arbuckle  
 Nearest Lease or unit boundary line (in footage): 460  
 Ground Surface Elevation: 2103 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: 180  
 Depth to bottom of usable water: 900  
 Surface Pipe by Alternate:  I  II  
 Length of Surface Pipe Planned to be set: 200  
 Length of Conductor Pipe (if any): na  
 Projected Total Depth: 3900  
 Formation at Total Depth: Arbuckle  
 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: \_\_\_\_\_

**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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 SEP 17 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: 9-16-08 Signature of Operator or Agent: [Signature] Title: Agent

**For KCC Use ONLY**  
 API # 15 - 065-23490-00-00  
 Conductor pipe required None feet  
 Minimum surface pipe required 200' feet per ALT.  I  II  
 Approved by: NH 9-26-08 / Rmt 102-08  
 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: \_\_\_\_\_

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

32 7 21  
 E  W