

CORRECTED

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For KCC Use: Effective Date: 5-11-08 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: 5 month 9 day 2008 year

OPERATOR: License# 33539 Name: Cherokee Wells, LLC Address 1: P. O. Box 296 Address 2: City: Fredonia State: KS Zip: 66736 Contact Person: Shannan Shinkle Phone: 620-378-3650

CONTRACTOR: License# 33072 Name: Well Refined Drilling

Well Drilled For: Oil Gas Enh Rec Storage Disposal Seismic Other Well Class: 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: NE NE NW Sec 31 Twp 28 S. R. 15 feet from 2,300 feet from Is SECTION: Regular Irregular

County: Wilson

Lease Name: V. Douglas Well #: A-5 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): 330 Ground Surface Elevation: Unknown feet MSL

Water well within one-quarter mile: Public water supply well within one mile: Depth to bottom of fresh water: est 100'

Depth to bottom of usable water: 200' / 150' Surface Pipe by Alternate: II

Length of Surface Pipe Planned to be set: 20' Length of Conductor Pipe (if any): N/A

Projected Total Depth: 1350' Formation at Total Depth: Mississippian

Water Source for Drilling Operations: Well Farm Pond Other

DWR Permit #: Will Coras be taken? If Yes, proposed time:

RECEIVED KANSAS CORPORATION COMMISSION

*WAS: 330' FNL IS: 350' FNL

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:

MAY 05 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: 5/2/08 Signature of Operator or Agent: Shannan Shinkle Title: Administrative Assistant

For KCC Use ONLY API # 15 - 205-27548-0000 Conductor pipe required None feet Minimum surface pipe required 20 feet per ALT [] [X] Approved by: [Signature] 5-6-08 / [Signature] 11-3-08 This authorization expires: 5-6-09 (This authorization void if drilling not started within 12 months of approval date.) Spud date: Agent:

Remember to: - File Drill Plat 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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Mail to: KCC - Conservation Division, 130 S. Market - Room 2075, Wichita, Kansas KANSAS CORPORATION COMMISSION

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CONSERVATION DIVISION WICHITA, KS