

For KCC Use: 11-10-07  
Effective Date: 3  
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  
December 2002  
Form must be Typed  
Form must be Signed  
All blanks must be Filled

Expected Spud Date 11/12/2007  
month 11 day 12 year 2007

OPERATOR: License# 32294  
Name: OSBORN ENERGY, LLC  
Address: 24850 FARLEY  
City/State/Zip: BUCYRUS, KS 66013  
Contact Person: JEFF TAYLOR  
Phone: 913-533-9900

CONTRACTOR: License# 32294  
Name: Osborn Energy, LLC

Well Drilled For:  Oil  Gas  Enh Rec  Storage  OWWO  Disposal  Seismic; # of Holes  Other  
Well Class:  Infield  Pool Ext.  Wildcat  
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  
SE. SW. NW. Sec. 1. Twp. 16. S. R. 24  
2310 feet from  N /  S Line of Section  
990 feet from  E /  W Line of Section

Is SECTION  Regular  Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: MIAMI  
Lease Name: HOPKINS Well #: 15-1  
Field Name: PAOLA-RANTOUL

Is this a Prorated / Spaced Field?  Yes  No

Target Formation(s): MARMATON AND CHEROKEE

Nearest Lease or unit boundary: 860'  
Ground Surface Elevation: 1100' 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: 120  
Depth to bottom of usable water: 300+

Surface Pipe by Alternate:  1  2  
Length of Surface Pipe Planned to be set: 20

Length of Conductor Pipe required: NONE

Projected Total Depth: 920'

Formation at Total Depth: CHEROKEE

Water Source for Drilling Operations:  
 Well  Farm Pond  Other X

DWR Permit #: \_\_\_\_\_

(Note: Apply for Permit with DWR  )  
Will Cores be taken?  Yes  No  
If Yes, proposed zone: \_\_\_\_\_

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NOV 02 2007

CONSERVATION DIVISION  
WICHITA KS

NOV 10 2008

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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:

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~~ will be cemented through all uncemented 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 to the best of my knowledge and belief.

Date: 11-1-07 Signature of Operator or Agent: Custin Haubens Title: GEOLOGIST

For KCC Use ONLY	
API # 15 - <u>121-28528-0000</u>	
Conductor pipe required	<u>None</u> feet
Minimum surface pipe required	<u>20</u> feet per A.H. <u>X</u>
Approved by:	<u>11-5-07</u>
This authorization expires: <u>11-5-08</u>	
(This authorization void if drilling not started within 12 months of effective date.)	
Spud date:	Agent:

Remember to:

- File Drill Pit Application (form COP-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;
- 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

Signature of Operator or Agent: Custin Haubens  
Date: 11-5-08

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