

For KCC Use:
 Effective Date: 7-12-2009
 District # 3
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

* Spot 7-8-2009
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: July 11, 2009
 month day year

OPERATOR: License# 31002
 Name: Kelly Company, LC
 Address 1: 9746 Pflumm Road
 Address 2: _____
 City: Lenexa State: KS Zip: 66215
 Contact Person: Jim O. Guinotte
 Phone: (620) 432-4545
 CONTRACTOR: License# 5989
 Name: Kurt Finney dba Finney Drilling Company

Spot Description:
 * NE - SW - NW - NW Sec. 14 Twp. 14 S. R. 22 E W
 (or/or/a) 4,280 feet from N / S Line of Section
4,840 feet from E / W Line of Section

Is SECTION: Regular Irregular?
 (Note: Locate well on the Section Plat on reverse side)

County: Johnson
 Lease Name: Knabe-D Well #: KAI-4
 Field Name: Gardner

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

Nearest Lease or unit boundary line (in footage): 440 ft.
 Ground Surface Elevation: 1,000 est. 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: 300'
 Surface Pipe by Alternate: I II
 Length of Surface Pipe Planned to be set: 20'

Length of Conductor Pipe (if any): _____
 Projected Total Depth: 900 ft.
 Formation at Total Depth: Bartlesville

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

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

Well Drilled For: Oil Enh Rec Gas Storage Disposal Seismic; # of Holes _____ 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 #: _____

* WAS: NE-SW-NW-NW
 IS: SE-SW-NW-NW

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq. **KANSAS CORPORATION COMMISSION**

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 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: July 7, 2009 Signature of Operator or Agent: Donna Thanda Title: Agent

For KCC Use ONLY
 API # 15 - 091-23363-00-00
 Conductor pipe required None feet
 Minimum surface pipe required 20 feet per ALT. I II
 Approved by: 7-7-2009 / 7-8-2009
 This authorization expires: 7-7-2010
 (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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