

For KCC Use:
Effective Date: 08/16/2008
District # 3
SGA? Yes No

KANSAS CORPORATION COMMISSION 1021355
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: 08/16/2008
month day year

OPERATOR: License# 33539
Name: Cherokee Wells LLC
Address 1: P.O. Box 296
Address 2: _____
City: Fredonia State: KS Zip: 66736 + _____
Contact Person: Tracy Miller
Phone: 6203783650

CONTRACTOR: License# 5675
Name: McPherson, Ron dba McPherson Drilling

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 #: _____

Oil & Gas Lease attached.

Spot Description: _____
NE - NW - NE - NW Sec. 29 Twp. 27 S. R. 15 E W
(a/a/a/a) 176 feet from N / S Line of Section
1,858 feet from E / W Line of Section
Is SECTION: Regular Irregular?

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

County: Wilson
Lease Name: Burnt Hills Ranch Well #: P-18
Field Name: Cherokee Basin Coal Gas Area

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

Nearest Lease or unit boundary line (in footage): 1858
Ground Surface Elevation: 990 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: 100
Depth to bottom of usable water: 200

Surface Pipe by Alternate: I II
Length of Surface Pipe Planned to be set: 20

Length of Conductor Pipe (if any): _____
Projected Total Depth: 1350

Formation at Total Depth: Mississippian

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: _____

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:

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.

Submitted Electronically

For KCC Use ONLY
API # 15 - 15-205-27622-00-00
Conductor pipe required 0 feet
Minimum surface pipe required 20 feet per ALT. I II
Approved by: Rick Hestermann 08/11/2008
This authorization expires 08/11/2009
(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: 8/12/09
Signature of Operator or Agent: Tracy Miller

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

29 27 15 W