

For KCC Use:  
 Effective Date: 2-2-2009  
 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: March 15 2009  
month day year

OPERATOR: License# 6926  
 Name: Advantage Resources, Inc.  
 Address 1: 1775 Sherman Street, Suite 1775  
 Address 2: \_\_\_\_\_  
 City: Danver State: CO Zip: 80203  
 Contact Person: Brad Ackman  
 Phone: (303) 831-1912

CONTRACTOR: License# 33575  
 Name: WW Drilling

<b>Well Drilled For:</b>	<b>Well Class:</b>	<b>Type Equipment:</b>
<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input type="checkbox"/> Infield
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic ; _____ # of Holes	<input type="checkbox"/> Other	<input type="checkbox"/> Mud Rotary
<input type="checkbox"/> Other: _____		<input type="checkbox"/> Air Rotary
		<input type="checkbox"/> 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: \_\_\_\_\_  
 \_\_\_\_\_ SE \_\_\_\_\_ NW \_\_\_\_\_ SE Sec. 5 Twp. 1 S. R. 35  E  W  
 (0000) 1,513 feet from  N /  S Line of Section  
1,500 feet from  E /  W Line of Section

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

County: Rawlins  
 Lease Name: Walter Well #: 10-5  
 Field Name: None

Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Lansing-Kansas City  
 Nearest Lease or unit boundary line (in footage): 1500

Ground Surface Elevation: 3127 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: 225 150  
 Depth to bottom of usable water: 225 150  
 Surface Pipe by Alternate:  I  II  
 Length of Surface Pipe Planned to be set: 275  
 Length of Conductor Pipe (if any): None  
 Projected Total Depth: 4,800  
 Formation at Total Depth: Base of Kansas City

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

RECEIVED

RECEIVED  
 KANSAS CORPORATION COMMISSION

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:

OCT 08 2009

JAN 26 2009

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 in the well 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.

KCC WICHITA

CONSERVATION DIVISION  
 WICHITA, KS

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 1/22/2009 Signature of Operator or Agent: [Signature] Title: Vice President

**For KCC Use ONLY**  
 API # 15 - 153-20872-0000  
 Conductor pipe required None feet  
 Minimum surface pipe required 200 feet per ALT.  I  II  
 Approved by: [Signature] 1-28-2009  
 This authorization expires: 1-28-2010  
 (This authorization valid if drilling not started within 12 months of approval date.)  
 Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

Remember to:

- File Drill Pit Application (form GDP-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: 9-30-2009  
 Signature of Operator or Agent: [Signature] JEFFREY J. HARWELL

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

WELL TO BE RE-PERMITTED UNDER  
 NEW OPERATOR: REEDER OPERATING LLC

Replaced by 15-153-20882-0000