

For KCC Use: 11-3008  
 Effective Date: 3  
 District #: 3  
 SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
 OIL & GAS CONSERVATION DIVISION

DEC 1 - 2008

Form C-1  
 October 2007

Form must be Typed  
 Form must be Signed  
 All blanks must be Filled

**NOTICE OF INTENT TO DRILL REGULATORY**  
*Must be approved by KCC five (5) days prior to commencing well*

Expected Spud Date: 11 05 2008  
month day year

OPERATOR: License# 34027  
 Name: CEP Mid-Continent LLC  
 Address 1: 15 West Sixth Street, Suite 1400  
 Address 2: \_\_\_\_\_  
 City: Tulsa State: OK Zip: 74119 + 5415  
 Contact Person: David Spitz, Engineering Manager  
 Phone: (918) 877-2912, ext. 309

CONTRACTOR: License# 34126 / 33832  
 Name: Smith Oilfield Services (vert. to KOP) / Pense Bros. Drig. (horizontal section)

<b>Well Drilled For:</b>	<b>Well Class:</b>	<b>Type Equipment:</b>
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield
<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
<input type="checkbox"/> Seismic ; _____ # of Holes	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Other: _____	<input type="checkbox"/> Other	<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: 734'  
 Bottom Hole Location: 1.708' FSL, 1.275' FEL in SE/4 Sec. 5, T33S, R17E  
 KCC DKT #: 09-cons-053-CHOR

Spot Description: \_\_\_\_\_  
 \_\_\_\_\_ NE \_\_\_\_\_ NW \_\_\_\_\_ SW \_\_\_\_\_ Sec. 5 Twp. 33 S. R. 17  E  W  
(100/100)  
2,055 feet from  N /  S Line of Section  
695 feet from  E /  W Line of Section

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

Lease Name: KNISLEY Well #: 5-7  
 Field Name: Coffeyville-Cherryvale

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

Nearest Lease or unit boundary line (in footage): 625'  
 Ground Surface Elevation: 779' 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: 10-100  
 Depth to bottom of usable water: 10-150

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

Length of Conductor Pipe (if any): None  
 Projected Total Depth: 2,623'

Formation at Total Depth: Weir-Pitt  
 Water Source for Drilling Operations:

Well  Farm Pond  Other: City  
 DWR Permit #: \_\_\_\_\_

(Note: Apply for Permit with DWR)   
 Will Cores be taken?  Yes  No

If Yes, proposed zone: \_\_\_\_\_  
 RECEIVED KANSAS CORPORATION COMMISSION

**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.

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

Date: 10/1/08 Signature of Operator or Agent: [Signature] Title: Engineering Manager

**For KCC Use ONLY**  
 API # 15 - 125-31842-01-00  
 Conductor pipe required None feet  
 Minimum surface pipe required 20 feet per ALT.  I  II  
 Approved by: [Signature] 11-25-08  
 This authorization expires: 11-25-09  
 (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: 11/27/10  
 Signature of Operator or Agent: [Signature]

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

Rodney Tate,  
 D&C Engineer

**VOID - NOT DRILLED**

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 JAN 29 2010

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OCT 07 2008

CONSERVATION DIVISION  
 WICHITA, KS

CONSERVATION DIVISION  
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