KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL
KCC WICHITA

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date January 26, 2004

Operator: Darr Cherokee Basin Operating Co. LLC
Name: Tracy Williams
Address: 3541 County Rd 5400, Independence KS 67301
Phone: 620-331-7870

CONTRACTOR: License# 5675
Name: McPherson Drilling

Well Drilled For: Gas Storage, Mud Rotary
Well Class: Disposal, Wildcat
Type: Enr Rec, Pool Ext., Air Rotary

If OWWO: old well information as follows:
Operator:
Well Name:
Original Completion Date:
Original Total Depth:

Directional, Deviated or Horizontal wellbore? Yes
If true vertical depth:
Bottom Hole Location:
KCC DKT #:

Spot: SE Sec. 27, Twp. 30, S. R. 15, West

Well Lease Name: C3-27
Field Name: Cherokee Basin Coal Gas Area

Nearest lease or unit boundary: 668
Ground Surface Elevation: 191
Water well within one-quarter mile: Yes
Public water supply within one mile: Yes
Depth to bottom of fresh water: 100 + 200

If OWWO: old well information as follows:
Operator:
Well Name:
Original Completion Date:
Original Total Depth:

Directional, Deviated or Horizontal wellbore? Yes
If true vertical depth:
Bottom Hole Location:
KCC DKT #:

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 if 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: January 16, 2004
Signature of Operator or Agent: [Signature]
Title: Superintendent

For KCC Use ONLY
API # 15 - 205-25706-0000
Conductor pipe required: None
Minimum surface pipe required: 20 feet per Ait.
Approved by: 83P1-21304
This authorization expires: 7-21-04

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 pluging record (CP-4) after pluging 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 the address below.
- Well Not Drilled - Permit Expired

Signature of Operator or Agent: [Signature]
Date: 27-30-15E
Side Two

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15:
Operator: Dart Cherokee Basin Operating Co. LLC
Lease: Orr
Well Number: C3-27
Field: Cherokee Basin Coal Gas Area
Number of Acres attributable to well: 40
QTR / QTR / QTR of acreage: SE . NW . SE

Location of Well: County: Montgomery
- 1951
- 1972
Sec. 27 Twp. 30 S. R. 15

Is Section: ✔ Regular or □ Irregular

If Section is Irregular, locate well from nearest corner boundary.
Section corner used: ✔ NE □ NW □ SE □ SW

PLAT
(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)

NOTE: In all cases locate the spot of the proposed drilling location.

In plotting the proposed location of the well, you must show:
1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CG-7 for oil wells; CG-8 for gas wells).