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

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

Spot SE SW Sec. 35 Twp. 34 S. R. 14E
330 FSL 285 FSL feet from Line of Section
1820 FEL feet from Line of Section

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

County: Montgomery
Lease Name: Schabel
Well #: D-3-35
Field Name: Cherokee Basin Coal Gas Area
Is this a Prorated / Spaced Field?
Yes No
Target Information(s):
Mississippian

Nearest Lease or unit boundary, 433 Feet

Ground Surface Elevation: 842 Feet
Public water supply well within one mile:
Yes No

Depth to bottom of fresh water:

Surface Pipe by Alternate:

Length of Surface Pipe Planned to be set:

Length of Conductor Pipe required:

Projected Total Depth: 1816 Feet

Formation at Total Depth: Mississippian

Water Source for Drilling Operations:


DWR Permit #:

Will Cores be taken?

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 drill 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 to the best of my knowledge and belief.

Date: June 16, 2004
Signature of Operator or Agent: Tony Williams
Title: Regulatory & Safety Compliance

For KCC Use ONLY
API # 35-30574.000
Conductor pipe required: None
Minimum surface pipe required: 20 feet per Alt.
Approved by: RSP 018041RSP 13.729
This authorization expires: 12-18-04
(This authorization void if drilling not started within 6 months of effective date.)
Spud Date: 6-28-04
Agent:

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