NOTICE OF INTENT TO DRILL

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

For KCC Use:

Effective Date: 6-3-04

District #

SGA? [ ] Yes [ ] No

Expected Spud Date: August 6, 2004

OPERATOR:

License #: 33074

Name: Dart Cherokee Basin Operating Co. LLC

Address: 3541 County Rd 5400

City/State/Zip: Independence KS 67301

Contact Person: Tony Williams Phone: 620-331-7870

CONTRACTOR:

License #: 56755

Name: McPherson Drilling

RECEIVED:

KANSAS CORPORATION COMMISSION

CONSERVATION DIVISION

WICHITA, KS

Spot

SE NW NW

Sec. 14

Twp. 32

S. R. 15E

feet from

N / V

Line of Section

feet from

E / W

Line of Section

If OWWO: old well information as follows:

Operator:

Well Name:

Original Completion Date:

Original Total Depth:

Directional, Deviated or Horizontal wellbore?

If Yes, true vertical depth:

Bottom Hole Location:

KCC DKT #:

Well Drilled For:

Well Class:

Type Equipment:

Oil [ ] Enh Rec [ ] Infield [ ] Mud Rotary

Gas [ ] Storage [ ] Pool Ext. [ ] Air Rotary

OWO [ ] Disposal [ ] Wildcat [ ] Cable

Seismic: [ ] # of Holes: [ ] Other

Other:

Well is a Prorated / Spaced Field?

Target Information(s): Mississippian

Nearest Lease or unit boundary: 360 feet

Surface Pipe by Alternate:

Length of Surface Pipe Planned to be set:

Length of Conductor Pipe required:

Projected Total Depth: 1340 feet

Formation at Total Depth: Mississippian

Water Source for Drilling Operations:

DWR Permit #:

Will Cores be taken?

If Yes, proposed zone:

Count: Montgomery

Lease Name: Sullivan

Well #: A3-14

Field Name: Cherokee Basin Coal Gas Area

Is this a Prorated / Spaced Field?

Field is a Prorated / Spaced Field

Target Information(s): Mississippian

Nearest Lease or unit boundary: 360 feet

Surface Pipe by Alternate:

Length of Surface Pipe Planned to be set:

Length of Conductor Pipe required:

Projected Total Depth: 1340 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 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 to the best of my knowledge and belief.

Date: July 27, 2004

Signature of Operator or Agent: Tony Williams

Title: Regulatory & Safety Compliance

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;
- 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

Signature of Operator or Agent:

Date:

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202
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: Sullivan
Well Number: A3-14
Field: Cherokee Basin Coal Gas Area

Number of Acres attributable to well: 40
QTR / QTR / QTR of acreage: SE, NW, NE

Location of Well: County: Montgomery
4000 FSL feet from N / S Line of Section
1700 FEL feet from E / W Line of Section
Sec. 14 Twp. 32 S. R. 15E
East West
Is Section: ☑ Regular or ☐ Irregular

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

(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).