KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

Effective Date: 9.22.04

For KCC Use:

District: 

Expected Spud Date:

September 23, 2004

OPERATOR:

License #: 31430

Name: White Eagle Resources Corp.

Address: P.O. Box 270948

City/State/Zip: Louisville, Colorado 80027

Contact Person: Mike Janeczko

Phone: 303 604 6658

CONTRACTOR:

License #: 33350

Name: Southwind Drilling, Inc.

Spot

SE NW SW

Sec 20

Twp 22

N & S Line of Section

W & S Line of Section

East

West

1650 feet from N

990 feet from E

Is SECTION Regular / Irregular

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

County: Stafford

Lease Name: Notte

Well #: 4-20

Field Name: Frankenburger

Is this a Prorated / Spaced Field

Yes No

Target Formation(s): Arbuckle

Nearest Lease or unit boundary: 990' feet MSL

Ground Surface Elevation: 1870

Water well within one-quarter mile

Yes No

Public water supply well within one mile

Yes No

Depth to bottom of fresh water

Surface Pipe by Alternate: Yes No

Length of Surface Pipe Planned to be set: 260'

Length of Conductor Pipe required: none

Projected Total Depth: 3830'

Formation at Total Depth: Arbuckle

Water Source for Drilling Operations:

Well Farm Pond Other

DWR Permit #: 7753818

Well Cores to be taken?

Yes No

If Yes, proposed zone:

CONSERVATION DIVISION
WICHITA, KS

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 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 #135,891-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: 9/15/04

Signature of Operator or Agent: Michael L. Jones

Title: President

For KCC Use ONLY

API #: 185-23274.00.00

Conductor pipe required: 805 feet

Minimum surface pipe required: 240 feet per All

Approved by 2.9.17.64

This authorization expires: 3.17.05

(THIS AUTHORIZATION VOID IF DRILLING NOT STARTED WITHIN 6 MONTHS OF EFFECTIVE DATE.)

Spud date: Agent:

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

Well Not Drilled - Permit Expired

Signature of Operator or Agent:

Date:

Remember to:

- File Drill Pit Application (form CDP-1) with Intent to Drill;
- FileCompletion 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.
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: White Eagle Resources Corp. 
Lease: Notle 
Well Number: 4-20 
Field: Krankenberg 
Number of Acres attributable to well: 
QTR / QTR / QTR of acreage: SE - NW - SW

Location of Well: County: Stafford 
1650 feet from N / S Line of Section 
990 feet from E / W Line of Section
Sec. 20 Twp. 22 S. R. 12 East / West
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.)

RECEIVED
KANSAS CORPORATION COMMISSION
SEP 17 2004
CONSERVATION DIVISION
WICHITA, KS

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: (C0-7 for oil wells; CG-8 for gas wells).
September 17, 2004

Mr. Mike Janeczko
White Eagle Resources Corp.
PO Box 270948
Louisville, CO 80027

RE: Drilling Pit Application
    Nolte Lease Well No. 4-20
    SW/4 Sec. 20-22S-12W
    Stafford County, Kansas

Dear Mr. Janeczko:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed without slots, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again as soon as practical after drilling operations have ceased.

If production casing is set all completion fluids shall be removed on a daily basis.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 when the fluids have been removed. Also please file the enclosed CDP-5 form, Surface Pond Waste Transfer, within 30 days of fluid removal.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,

[Signature]

Kathy Haynes
Environmental Protection and Remediation Department

cc: S Durrant