NOTICE OF INTENT TO DRILL

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

Expected Spud Date: December 20, 2004

Operator: Dart Cherokee Basin Operating Co. LLC
Name: Tony Williams
Address: 3541 County Rd 5400
City/State/Zip: Independence KS 67301
Phone: 520-331-7870

Contractor: McPherson Drilling
License#: 5675  (6,30,05)

Well Drilled For: Gas, Storage, Disposal, Wildcat
Well Class: Mud Rotary
Type Equipment: Oil, Gas, Storage, Infield, Pool Ext., Air Rotary, Cable

Spot: Sec. 27 Twp. 32 R. 15

Well # C-227

Lease Name: J & V Gordon Trusts
Field Name: Cherokee Basin Coal Gas Area

Is this a Prorated / Spaced Field? Yes
Target Information: Mississippian

Nearest Lease or Unit boundary: 660 feet
Ground Surface Elevation: 833 feet

Water well within one-quarter mile: No
Public water supply well within one mile: Yes
Depth to bottom of fresh water: 150 ft
Depth to bottom of usable water: 200 ft
Surface Pipe by Alternate: 1
Length of Surface Pipe Planned to be set: None
Length of Conductor Pipe required: 1464 feet

Formation at Total Depth: Mississippian
Water Source for Drilling Operations: Well, Farm Pond, Other
DWR Permit #: 8

Will Cores be taken? Yes

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 when 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: December 9, 2004
Signature of Operator or Agent: J. Calhoun
Title: Regulatory & Safety Compliance Specialist

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 (CF-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

For KCC Use ONLY

API #15 - 125. 80679 00 00
Conductor pipe required: None

Minimum surface pipe required: 20 feet

Approved by 25912 4.04
This authorization expires: 6.14.05

Spud date: Agent: 

27 32 156
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: J & V Gordon Trusts
Well Number: C2-27
Field: Cherokee Basin Coal Gas Area
Number of Acres attributable to well: 40
QTR / QTR / QTR of acreage: C . NE . SW

Location of Well: County: Montgomery
1980 FSL feet from N / S Line of Section
3300 FEL feet from E / W Line of Section
Sec. 27 Twp. 32 S. R. 15 East / West
Is Section: ✓ Regular or □ Irregular

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

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

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).