NOTICE OF INTENT TO DRILL

Spud Date: 10-4-2005

Notice: This notice of intent to drill shall be posted on each drilling rig at least 30 days prior to spudding. This notice shall be posted at least 30 days prior to any commencing well

KANSAS CORPORATION COMMISSION

OIL & GAS CONSERVATION DIVISION

RECEIVED

APR 11 2005

CONTRACTOR: Norfolk 5975

Property: WICHITA MONUMENTAL

Well Name: Gorton 16-1

Well Location: SW 1/4 N 14 T 31 S R 146 E

KANSAS CORPORATION COMMISSION

MONTGOMERY COUNTY

Lease Name: Gorton

Field Name: Cold Basin Coal Area

Is this a Producing / Spaced Field? Yes

Target Formation(s): Arkclulce

Nearest Lease or Unit Boundary: 369

Ground Surface Elevation: 1,500 ft

Water well within one-quarter mile: Yes

Public water supply well within one mile: Yes

Depth to bottom of fresh water: 1,500 ft

Surface Pipe by Alternate: 200 ft minimum

Length of Subsurface Pipe required: 500 ft

Projected Total Depth: 2,000 Feet

Formation at Total Depth: Arkclulce

Water Source for Drilling Operations: Well

KCCC Ckt #: 16-1

Well#: 16-1 SWD

IS: Gorton 16-1 SWD

WAS: Gorton 16-1

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.

1. 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 at least 20 feet into the underlying formation.

4. If the well is a dry hole, an agreement between the operator and the district office shall be made.

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 surface to water within 120 days of spud date. 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: April 5, 2006

Signature of Operator or Agent: 

Taw: Agent:

Mail to: KCC - Conservation Division, 120 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. 15 125-30/28-00-00
Operator: Lye Energy Operating LLC
Lease: Gorton
Well Number: 76-1 SWD
Field: Cherokee Basin Coal area
Number of Acres attributable to well: QTR / QTR / QTR / acreage: 5/2 SE SE

Location of Well: County: Montgomery
369 feet from N (circle one) Line of Section
563 feet from W (circle one) Line of Section
Sec. 1

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.

Inplotting 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 (CD-7 for oil wells;
CD-6 for gas wells).