**KANSAS CORPORATION COMMISSION**

**OIL & GAS CONSERVATION DIVISION**

**NOTICE OF INTENT TO DRILL**

Must be approved by KCC live (10) days prior to commencing well

**Operable Date:**

- May 11, 2005
- May 21, 2005 (3:30 AM)
- June 25, 2005 (6:30 AM)

**Expected Spud Date:**

May 11, 2005

**Operator:**

- Licensee: 33364
- Name: High Muff Drilling, LLC
- Address: 1863 Wavestreet, #5A
- City/State/Zip: Denver, Colorado 80202
- Contact Person: Jamie Brown
- Phone: 303-295-2223

**Contractor:**

- Licensee: 5922
- Name: Will Energy, Inc.

- Well Drilled For: Oil
- Well Class: Initial
- Type: Mud Rotary

**Spot Data:**

- N 2, S 5292
- Sec: 14
- T: 34, R: 5, S: 25
- East: 400 feet
- North: 1520 feet

**Location:**

N 2, S 5292

- Is SECTION: Regular
- Irregularity: None

**County:** Clark

**Lessee Name:** Cadfather
**Well #:** 3

**Is this a Promoted / Spaced Field?** Yes / No

**Target Formation:**

- Chester - Mississippian

**Nodale Lease or Unit boundary:**

- No

**Ground Surface Elev:**

- No

**Water well within one-quarter mile:**

- Yes / No

**Public water supply well within one mile:**

- Yes / No

**Depth to bottom of fresh water:**

- 200 feet

**Subsurface Pipe by Adjacent:**

- Yes / No

**Length of Conductor Pipe Required:**

- Yes / No

**Projected Total Depth:**

- 8,000 feet

**Formation at Total Depth:**

- Chester - Mississippian

**Water Source for Drilling Operations:**

- Well / Farm Pond

**DWS Permit #:**

- Yes / No

**Wells Removed:**

- Yes / No

**Well Core:**

- Yes / No

**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. Neatly 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 maximum 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 30 feet into the underlying formation.
4. If well is dry hole, an agreement between the operator and the district office in weight length and placement is necessary prior to plugging.
5. The appropriate district office will be notified before well is either plugged or the lease is assigned to another drilling permit.
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 under K 130,425, 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.

Hence certify that the statements made herein are true and to the best of my knowledge and belief.

Date: May 6, 2005

**Signature of Operator or Agent:**

- Will Cadfather

**Date of Affidavit:**

May 6, 2005

**Drill Pipe:**

- O.D. 2.129.2/0.00

- 525 feet

- 240 feet per A.

- Approved as of 11/05

**Spud Date:**

May 6, 2005

**Mail to:**

- KCC - Conservation Division, 130 N. Market - Room 278, Wichita, Kansas 67222

**Remember to:**

1. File Drill Th Application form COP-1 with Intent to Drill;
2. File Completion Form ACD-1 with 120 days of spud date;
3. File a computer additonal letter to field position orders;
4. Notify appropriate district office 48 hours prior to withdrawal or re-entry;
5. Submit plugging report (CP-4) after plugging is completed;
6. Obtain written approval before disposing or injecting salt water;
7. If this permit has expired (See submitted expiration date) please check the box below and return to the address below.
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW
PLOT OF ACREAGE ATTRIBUTABLE TO A WELL IN A PRODUCED OR SPACED FIELD

If the intended well is in a produced or spaced field, please fully complete this side of the form. If the intended well is in a produced 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. Provide the plat with all the results 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: High Bluff Operating, LLC
Lease: Caudy
Well Number: 3
Field: McKee
Number of Acres attributable to well:
QTR / QTR / QTR of acreage: N2 S252 SE

Location of Well: County: Clark
Location of Well: feet from NE / SW Line of Section
Sec. 14 Trp. 34 S R. 25 E 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 show attributable acreage for produced or spaced wells.)
(Show location 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 produced or spaced field a certificate of acreage attribution plat must be attached (CO-7 for oil wells; CO-8 for gas wells).
May 10, 2005

Mr. Jamie Brown
High Bluff Operating, LLC
1863 Wazee St, #6A
Denver, CO 80202

RE: Drilling Pit Application
Cauther Lease Well No. 3
SE/4 Sec. 14-34S-25W
Clark County, Kansas

Dear Mr. Brown:

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 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,

Kathy Haynes
Environmental Protection and Remediation Department

cc: S Durrant