NOTICE OF INTENT TO DRILL

Form C-1

Date: October 2000

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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

All blanks must be filled

For KCC Use:

Expected Spud Date: May 5, 2005

OPERATOR: 

Name: Del Cherokee Eagle Operating Co., LLC
Address: 3541 County Rd 5400
City/State/Zip: Liberal KS 67870
Contact Person: Tim Williams
Phone: 520-331-7870

CONTRACTOR: 

Name: McPherson Drilling

Corporation: 

License No.: 5675

Name: McPherson Drilling

Well Drilled For:

Well Class: 

Type: Mud Rotary

Field: 

Type: Art Rotary

Zone: 

String: 

SOIL TYPE:

Clay: 

Silt: 

Loam: 

Sand: 

Drainage:

Drained:

Undrained:

Water Depth:

Seismic: 

% of Hole: 

Surface:

Drill Pipe: 

Other:

If OWDC old well information as follows:

Well Name: 

Original Completion Date: 

Original Total Depth: 

Directional Deviated or Horizontal wellbore?: 

Yes 

No

If yes, min. vertical depth: 

Bearing Hole Location:

KCC DKT:

Affidavit

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 50-86. 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 rigging;
3. The minimum width 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 50 feet into the underlying formation.
4. If the well is in 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 behind the casing just below the surface within 130 days of spud date. Or pursuant to Appendix "G" - Eastern Kansas surface casing order #133,291-C, which applies to the KCC District 3 area, attempt 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: April 24, 2005

Signature of Operator or Agent:

For KCC Use ONLY

API #15 - 125-30744-0000
Conductor pipe required: N/A
Minimum surface pipe required: 20 feet per Acre
Approved by:

This authorization expires: 10-29-05

Mail to: KCC - Conservation Division, 130 S. Market - room 578, Wichita, Kansas 67232

Remember to:

- File Drill Plan Application from CDP-1 with intent to drill;
- File Completion Form AC-1 within 150 days of spud date;
- File geographical attribution plot according to field district orders;
- Notify appropriate district office at least prior to workover or re-entry;
- Submit drilling report (CDP-1) after drilling is completed;
- Obtain written approval before disposing or injecting salt water;
- If the permit has expired (f)fer authorized expiration dates please check the box below and return to the address below.

Wet Not Drilled - Permit Expired

Signature of Operator or Agent:

Date:
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: Drift Cherokee Basin Operating Co LLC
Lease: M & J Hooper
Well Number: D2-10
Field: Cherokee Basin Coal Gas Area

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

Location of Well: County: Montgomery
1000 FSL
3020 FEL

Line of Section
N / S
E / W

Line of Section
Sec. 10
Twp. 31
R. 14E

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.

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 number, i.e. 1 section, 1 section with 3 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).