NOTICE OF INTENT TO DRILL

For KCC Div.
Effective Date: 9-2-06
District # 3
SCAT: Yes  No

Expected Spud Date: August 31, 2005

OPERATOR: Licensed 33365
Name: Legacy Energy Operating, LLC
Address: 1900 Shawnee Mission Parkway
Contact Person: J. Brent Notettes
Phone: 913-748-3987

RECEIVED KANSAS CORPORATION COMMISSION
AUG 2 2005

CONTRACTOR: Licensed 33365
Name: Legacy Energy Operating, LLC
Address: 1900 Shawnee Mission Parkway
Contact Person: J. Brent Notettes
Phone: 913-748-3987

NOTE: Locate well in the Section Plat (on reverse side)

In SECTION: 25 NW 1/4

North: 330 feet
South: 330 feet
East: 330 feet
West: 330 feet

In Line of Section: S 1/4
Line of Section: E 1/4

Well Name: Elks

Field Name: Coffeyville-Cherokee
Is this a Preceded / Spaced Field? Yes  No
Target Formation: Cherokee
Net Acreage: 330

Nearest Lease or unit boundary: 330

Ground Surface Elevation: 1260

Well Depth: 1595 ft

Water well within one-quarter mile: Yes  No
Public water supply well within one mile: Yes  No
Depth to bottom of fresh water: 159

Surface Pipe by Alternate: 4" 1/2"
Length of Surface Pipe Planned to be set: 20 ft

Length of Conductor Pipe required: None

Projected Total Depth: 1290 Feet

Formation at Total Depth: Mississippi

Water Source for Drilling Operations:
Well:  Furf Pond

DWR Permit #: X

Will Core be taken?
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. 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 circumferential 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 completion 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 continued from below any usable water to surface within 120 days of spud date.

Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-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.

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

Date: August 26, 2005
Signature of Operator or Agent: [Signature]
Title: Agent

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

Remember to:
- File Drill Permit Application (form COP-1) with Intent to Drill;
- File Completion Form KCO-1 within 120 days of spud date;
- File acreage extensions prior to ending 6 months of effective date;
- 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 well water.

If this permit has expired (See authorized expiration date) please check the box below and return to the address below.

Well has Drilled - Permit Expired
Signature of Operator or Agent: [Signature]
Date: [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 non-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 1/2 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.

<table>
<thead>
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<th>API No.</th>
<th>15</th>
<th>Operator</th>
<th>Lime Energy Operating, LLC</th>
<th>Lease</th>
<th>83a</th>
<th>Well Number</th>
<th>16-32</th>
<th>Field</th>
<th>Coffeyville-Cherryvale</th>
<th>Number of Acres attributable to well</th>
<th>QTR / QTR / QTR of acreage</th>
<th>Location of Well</th>
<th>County</th>
<th>Montgomery</th>
<th>Location from</th>
<th>feet from</th>
<th>N</th>
<th>E</th>
<th>S</th>
<th>W</th>
<th>Line of Section</th>
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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.)

![Example Plat](https://example.com/1980.png)

**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 (CD-7 for oil wells; CD-8 for gas wells).