KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL
Must be approved by KCC five (5) days prior to commencing well

OPERATOR: Leaseholder: Kansas City, Kansas 66102
Name: Stroud Properties LLC
Address: 7200 North May Avenue, Suite 300
City/State/Zip: Oklahoma City, Oklahoma 73120
Contact Person: Richard Marie
Phone: (405) 666-1204

CONTRACTOR: Will be licensed by KCC
Name: Will be notified by KCC

Drilled For: Oil
Type Equipment: Mud Rotary

IF OWNED: Well depth: 200 feet

Original Completion Date: Total Depth: 675 feet

Directional, Deviated or Horizontal well?: Yes

If Yes, true vertical depth: 675 feet

Bottom Hole Location: KCC Dkt #.

If agree with 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 cemented 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 spudding.
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in.
6. If an ALTERNATE X 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 #153,989-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 correct to the best of my knowledge and belief.

Date: 10/14/05
Signature of Operator or Agent:

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

For KCC Use Only

API #: 1339.26329.0000
Conductor pipe required: 6"

Minimum surface pipe required: 20 feet per Acre.

Approved by:

This authorization expires
(For authorization use if drilling not started within 6 months of approval date)

Spud date: 10/14/05

Mail to:

Remember to:
- File oil well application form COP-1) with intent to drill.
- File completion form COP-1 within 120 days of spud date.
- File accrual of oil in place according to field production order.
- Notify appropriate district office 48 hours prior to workflow or re-entry.
- Submit an update report (CP-4) after plugging is completed.
- Upon written approval before disposing or reusing 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

Date: 10/14/05
Signature of Operator or Agent:

For KCC Use Only

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Signature of Operator or Agent:
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: Cherokee LLC
Lease: Castle, Florence M.
Well Number: 18-1
Field: Cherokee Basin CSM
Number of Acres attributable to well:
QTR / QTR / QTR of acreage:

Location of Well: County: Nebraska
1520 feet from N / S Line of Section
675 feet from W / E Line of Section
Sec: 18
Twp: 30
S. R. 15
Is Section: Regular or Irregular
If Section is Irregular, locate well from nearest corner boundary, Section corner used:

PLAT
(Show location of the well and shade attributable acreage for prorated or spaced wells)
(Show boundary to the nearest lease or unit boundary line)

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

1. The manner in which you use the depicted plat by identifying section lines, i.e. 1 section, 1 section with 4 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 a proposed location is located within a prorated or spaced field, a certificate of acreage attribution plan must be attached. (C-1 for oil wells; C-2 for gas wells.)