KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

Expected Spud Date: February 21, 2006

OPERATOR: 
Name: Lusas Energy Operating, LLC
Address: 1600 Sainte Marie Mission Parkway
City/State: Mission Woods, KS 66205
Contact Person: M. B. Nabors Phone: 913-485-9877

CONTRACTOR: 
Name: Thornhill Air

Well Drilled For: 
Oil
Gas
Water
CWS
Disposal
GNC
Other

Well Class: 
Oil Rotary
Mud Rotary
Air Rotary
Cable

Well Equipment: 
Yes
No

Type of Equipment: 
Oil Rotary
Mud Rotary
Air Rotary
Cable

If CWDD-did well information as follows:
Operator: 
Name:
Original Completion Date:
Original Total Depth:
Directional, Equilateral or Horizontal Wellbore? 
Yes
No

If Yes, true vertical depth:

Bottom Hole Location:

KCC UNIT #:

Spot: SW
NE
Sec.
9
12
S
R
14

In SECTION: 
Regular
Irregular

(Notes: Locate well on the Section Plan on reverse page)

County: Montgomery
Lease Name: Grainery
Well #:

Field Name: Cherokee Basin Coal

Is this a Perforated / Spudded Field? 
Yes
No

Target Formation(s): Cherokee Coal

Number Lease or unit boundary: 007

Ground Surface Elevation: 380
Feet MSL

Water well within one-quarter mile
Yes
No

Public water supply well within one mile:
Yes
No

Depth to bottom of fresh water: 200

Depth to bottom of salt water:

Surface Pipe by Alternates: 1

Length of Surface Pipe Planned to be set: 25

Length of Conductor Pipe required: None

Pumped Total Depth: 1000

Formation at Total Depth: Mississippian

Water Source for Drilling Operations:
Well
Tank Farm

DWR Permit #:

Will Core be taken?

If Yes, proposed zone:

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion, and eventual plugging of the well will comply with K.S.A. 55-1 et seq.

It is stated that the following minimum requirements will be met:

1. Notify the appropriate district office prior to beginning of well;
2. A copy of the approved notice of intent to drill shall be posted at each drilling rig;
3. The minimum amount of surface pipe as specified below shall be set by cementing cement to the sand; in all cases surface pipes shall be set through all unconsolidated material plus a minimum of 20 feet below the underlying formation;
4. If the well is sly hole, an agreement between the operator and the district office on plug stage and placement is necessary prior to plugging;
5. The appropriate district office will be notified before well is ever plugged or production casing is cemented in;
6. If an ALTERATE II COMPLETION, production pipes shall be cemented from below any unsalted water to surface within 120 days of spud date.

Or pursuant to Appendix II - Eastern Kansas surface drilling order 113921-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 to the best of my knowledge and belief.

Date: February 13, 2006
Signature of Operator or Agent:

Remember to:

- File Drilling Application (Form CDP-1) with intent to Drill;
- File Completion Form (A22-1) within 180 days of spud date;
- File aerial photo plumb at arriving field processor office;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CPR-4) after plugging is completed;
- Obtain written approval before disposing of or releasing salt water;
- If this permit has expired, [File] application expiration date please check box below and return to the address below.

Mail to: KCC - Conservation Division, 13th S. Market - Room 3178, Wichita, Kansas 67202
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW
Plot of acreage attributable to a well in a prorated or spaced field

If the intended well is in a cropland 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: Legacy Energy Operating, LLC
Lease:摸索
Well Number: 7-9
Field: turquoise Basin Cost

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

Location of Well: County: Montgomery
1989
set from N: 6
set from E: 6
Line of Section
W Line of Section
S. Range 14
E. Range 14

Is Section: Regular or irregular

If Section is Irregular, locate well from nearest corner boundary.
Section corner used: NE NW SW 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.)

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KANSAS CORPORATION COMMISSION
FEB 16 2006
CONSERVATION DIVISION
WICHITA, KS

EXAMPLE

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; CG-8 for gas wells).