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

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

For KCC Use:
Effective Date: 1-16-06
District # 3
SGA? □ Yes ☑ No

Expected Spud Date Jan. 12 2006
Month day year

OPERATOR: License#: 33689
Name: Cannon Drilling Co.
Address: 1266 Rd. 27
City/State/Zip: Howard Ks. 67349
Contact Person: Joe Snively
Phone: 620-642-2085

CONTRACTOR: License#: 33689
Name: Cannon Drilling Co.

Well Drilled For:
☐ Oil ☐ Gas ☐ OWD ☐ Seismic
☐ Enh Rec ☐ Storage ☐ Disposal ☐ Other

Well Class:
☐ Infield ☐ Pool Ext. ☐ Wildcat ☐ Cable
☐ Mud Rotary ☐ Air Rotary

Type Equipment:

Spot
SW. Sec. NE. Twp. S.R. 12
3214 feet from N / X 8 Line of Section
1082 feet from E / W Line of Section

(Note: Locate well on the Section Plat on reverse side)

County: PIA
Lease Name: Cannon
Well #: W-1
Field Name: None

Is this a Prorated / Spaced Field? ☑ Yes □ No
Target Formation(s): Oswego

Nearest Lease or unit boundary: 238'
Ground Surface Elevation: 950 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: 100'

Surface Pipe by Alternate: ☐ 1 ☑ 2
Length of Surface Pipe Planned to be set: 240'
Length of Conductor Pipe required: NONE
Projected Total Depth: 1250'

Formation at Total Depth: Oswego

Water Source for Drilling Operations:
☐ Well ☐ Farm Pond ☐ Other

DWR Permit #: ☑ Yes □ No

(Note: Apply for Permit with DWR)

Will Cores be taken? ☑ Yes □ No
If Yes, proposed zone: Big Salt, Layton, Wilder

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 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 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 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 from below any usable water to surface within 120 days of spud date. However, 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 spudding.

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

Date: 1/7/06
Signature of Operator or Agent: her Majesty

KCC WICHITA

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