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: 3-20-07
District #: 3

SGA? No

March 24, 2007

Expected Spud Date

OPERATOR: License#: 33074
Name: Darl Cherokee Basin Operating Co. LLC
Address: 211 W Myrtle
City/State/Zip: Independence KS 67301
Contact Person: Tony Williams
Phone: 520-331-7870

CONTRACTOR: License#: 5675
Name: McPherson Drilling

Well Drilled For: Oil Gas Disposal Other
Well Class: Enh Rec Storage Disposal Wildcat Etc.
Type Equipment: Mud Rotary Air Rotary Cable

Spot
SE - NE 18 Sec 15
SE - NE 33 Twp, 33
S, R, 15E

West

2770 FSL foot from
145 FSL foot from

Is SECTION Regular Irregular?

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

County: Montgomery

Lease Name: McMillin Well #: B4-16 SWD
Field Name: Cherokee Basin Coal Gas Area
Is this a Prorated / Spaced Field? Yes No
Target Information(s): Arbuckle
Nearest Lease or unit boundary: 30 feet

Ground Surface Elevation: 804 foot MSL
Water well within one-quarter mile: Yes No
Public water supply well within one mile: Yes No
Depth to bottom of fresh water: 150'
Water depth to bottom of usable water: 175'

Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 20'
Length of Conductor Pipe required: 1849 feet
Formation at Total Depth: Arbuckle

Water Source for Drilling Operations: Well Farm Pond Other

DWR Permit #:

Will Cores be taken? Yes No

If Yes, proposed zone:

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 circulating cement to the top; in all cases surface pipe shall be used 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.

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.

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

Date: March 14, 2007
Signature of Operator or Agent: Tony Williams
Title: Sr. Regulatory & Safety Compliance Specialist

KANSAS CORPORATION COMMISSION
CONSERVATION DIVISION
MAR 15 2007

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202
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 - 125-31317-0000
Operator: Dart Cherokee Basin Operating Co. LLC
Lease: McMillin
Well Number: B4-16 SWD
Field: Cherokee Basin Coal Gas Area
Number of Acres attributable to well: 40
QTR / QTR / QTR of acreage: SE SE NE

Location of Well: County: Montgomery
2770 FSL feet from □ N / □ S Line of Section
145 FEL feet from □ E / □ W Line of Section
Sec: 16 Twp: 33 S. R 15E □ East □ West
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 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 (CG-7 for oil wells; CG-8 for gas wells).

RECEIVED
KANSAS CORPORATION COMMISSION
MAR 15 2007
CONSERVATION DIVISION
WICHITA, KS

EXAMPLE
SEWARD CO.
KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT

Submit In Duplicate

Operator Name: Dart Cherokee Basin Operating Co. LLC
License Number: 33074

Operator Address: 211 W Myrtle
Independence KS 67301

Contact Person: Tony Williams
Phone Number: (620) 331-7870

Lease Name & Well No.: McMillin B4-16 SWD

Pit Location (QQQQ):

   ______ . SE. SE. NE

Sec. 16 Twp. 33 R. 15E    East    West
2770 FSL Feet from North / South Line of Section
145 FEL Feet from East / West Line of Section

Montgomery County

Is the pit located in a Sensitive Ground Water Area?    No

Is the bottom below ground level?    Yes

Artificial Liner?    No

How is the pit lined if a plastic liner is not used?
Natural Clays

Pit dimensions (all but working pits): 35 Length (feet) 30 Width (feet) N/A: Steel Pits

Depth from ground level to deepest point: 5 (feet)

If the pit is lined give a brief description of the liner material, thickness and installation procedure.

Describe procedures for periodic maintenance and determine liner integrity, including any special monitoring.

Depth to shallowest fresh water 20 feet.
Source of information: measured well owner electric log KDWR

Emergency, Settling and Burn Pits ONLY:

Producing Formation:

Number of producing wells on lease:

Barrels of fluid produced daily:

Does the slope from the tank battery allow all spilled fluids to flow into the pit?    No

Drilling, Workover and Haul-Off Pits ONLY:

Type of material utilized in drilling/workover: Air

Number of working pits to be utilized: one

Abandonment procedure: Air dry, fill

Drill pits must be closed within 365 days of spud date.

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

March 14, 2007

Tony Williams
Signature of Applicant or Agent

KCC OFFICE USE ONLY

Date Received: 3/15/07 Permit Number: 3/15/07 Permit Date: 3/15/07 Lease Inspection: No

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202
NOTICE TO OPERATORS FILING INTENT TO DRILL FOR DISPOSAL OR ENHANCED RECOVERY INJECTION WELLS, (CLASS II INJECTION WELL)

The attached approved Notice of Intent to Drill indicates the proposed well is to be used for injection. An approved “Intent to Drill” does not approve injection authority as a Class II Injection Well in Kansas.

Before any well is used for injection purposes, the operator must file an application for injection authority in accordance with K.A.R. 82-3-401 and provide notice in accordance with K.A.R. 82-3-402. The Conservation Division must issue a written permit granting the application before commencement of injection.

The Conservation Division requirements and restrictions associated with Class II Injection are identified in K.A.R. 82-3-400 et seq of our regulations. Associated regulations governing drilling, completion and injection applications may be found in K.A.R. 82-3-135, Table I, Table II, in the Cedar Hills Sanstone Moratorium, (Docket #156,397-C), and the Eastern Kansas Surface Casing Order, (Docket #133,891-C).

If you have questions regarding the approval of injection authority, an injection application may be filed as a “Design Approval” before actual drilling and completion of the well occurs. If you have any questions or concerns regarding Class II injection wells or regulations, call the Underground Injection Control Department at 316-337-6200.

Failure to obtain commission approval before beginning injection is punishable by a penalty, shut-in of the well or both.