NOTICE OF INTENT TO DRILL

For KCC Use: 1-10-04

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

Expected Spud Date: Mid Jan. 2004

OPERATOR: Evergreen Operating Corporation
Address: 1401 17th street Suite 1200
City/State/Zip: Denver CO 80202
Contact Person: Thomas M. Erwin, Sr. Operations Engineer
Phone: 303 298-8100

CONTRACTOR: Layne Christensen Company
Name: Can. Ltd.

Well Drilled For: Oil
Well Class: Infield
Type: Mud Rotary
Equipment:

Gas
Storage
Disposal
Wildcat

Seismic: # of Holes
Other

If OWWO: old well information as follows:
Operator:
Well Name:
Original Completion Date:
Original Total Depth:

Directional, Deviated or Horizontal wellbore? Yes

Bottom Hole Location: KCC DKT #:

Spud NW SW Sec. Twp. S R
805 feet from N S Line of Section
470 feet from E W Line of Section

Is SECTION Regular Irregular?
(Note: Locate well on the Section Plat on reverse side)

Is this a Prorated / Spaced Field? Yes

Target Formation(s): Cherokee Group
Nearby Lease Name: Oakland Valley
Lease #: 14-24
Field Name: Forest City Coal Gas Area

Ground Surface Elevation: 105'
Feet MSL
Water well within one-quarter mile: Yes
Public water supply well within one mile: Yes
Depth to bottom of fresh water: 100'

Surface Pipe by Alternate: NONE

Length of Surface Pipe Planned to be set: 230'

Length of Conductor Pipe required: NONE

Projected Total Depth: 2000

Formation at Total Depth: Cherokee Group

Water Source for Drilling Operations:

Well Farm Pond Other

DWR Permit #: 210-1

Will Cores be taken? Yes

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 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.

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: 12/30/03 Signature of Operator or Agent: Title: Director of Engineering

Remember to:

- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- 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 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
Signature of Operator or Agent:

Date:

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
Operator: Evergreen Operating Corporation
Lease: Oakland Valley
Well Number: 14-24
Field: Forest City Coal Gas Area

Number of Acres attributable to well: ____________________________
QTR / QTR / QTR of acreage: NW - SW - SW

Location of Well: County: Doniphan
805 feet from N / S Line of Section
470 feet from E / W Line of Section
Sec. 24 Twp. 4 S. R. 20 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.)

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: (CG-7 for oil wells; CG-8 for gas wells).