**Expected Spud Date:** September 19, 2005

**Operational Data:**
- **Operator:** McPherson Drilling
- **Contractor:** McPherson Drilling
- **Site:** Cherokee Basin Coal Area

**Spud Data:**
- **SE Sec:** 400 ft from
- **SE Sec:** 400 feet from

**County:** Allen
- **Lease Name:** Ard
- **Well #:** 54-2

**Formation:** Mississippian L.S.

**Drilling Data:**
- **Drill Bit:** N/A
- **Wellsite:** N/A
- **Directional:** N/A
- **Horizontal:** N/A

**Permit Information:**
- **Type:** N/A
- **Status:** N/A
- **DD File #:** 001-2929/1.00-00
- **Price per Acq. &:** 001-2929/1.00-00
- **Approval:** 001-2929/1.00-00
- **Authoritative:** 001-2929/1.00-00
- **Spud Date:** N/A
- **Agent:** N/A

**KANSAS CORPORATION COMMISSION**

**NOICE OF INTENT TO DRILL**

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

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**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 top; in all cases surface pipe shall be through all unconsolidated materials plus a minimum of 20 feet into the underlying formation; and
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 drilling.

The undersigned hereby certifies that the statements made herein are true and to the best of my knowledge and belief.

**Date:** 9/16/05

**Signature of Operator or Agent:**

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**Statement of Operating Agent:**

- File Drill Permit Application (Form COP-1) with Intent to Drill;
- File Completion Form (KCC-1 within 120 days of spud date);
- File acreage attribution plat according to field provision 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 Expires

**Signature of Operator or Agent:**

**Date:**

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**Address:** 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: ____________________________  Location of Well: County: _________________
Operator: ______________________________  Location: Allen
Lease: _________________________________  Location: 400 feet from
Well Number: D4-2  line of Section
Field: Cherokee Basin Coal Area  S. line of Section
Number of Acres attributable to well: 160  Sec. 2, Twp. 26, S. R. 20
QTR / QTR / QTR of acreage: SE  SE

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.

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SEP 12 2005
CONSERVATION DIVISION
WICHITA, KS

EXAMPLE

SEWARD CO.

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