NOTICE OF INTENT TO DRILL

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

For KCC Use:
Effective Date: 12/10/03
District 4
SGA?  Yes  No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Expected Spud Date: December 8, 2003

OPERATOR: License#: 32705
Name: Raney Oil Company, LLC
Address: 3425 Tamo-Shanter
City/State/Zip: Lawrence, KS 66047
Contact Person: Thomas Raney
Phone: (785) 749-0672

CONTRACTOR: License#: 32810
Name: Professional Pulling Services

Well Drilled For:  
Oil  Enh Rec  Infeld  Mud Rotary
Gas  Storage  Pool Ext.  Air Rotary
OWO  Disposal  Wildcat  Cable
Seismic  # of Holes  Other

Well Class: Type Equipment:

If OWWO: old well information as follows:
Operator: Francis Oil Company
Well Name: #3 Gish 1C
Original Completion Date: 12/16/55  Original Total Depth: 3818'

Directional, Deviated or Horizontal wellbore?  Yes  No
If Yes, true vertical depth:

Bottom Hole Location:
KCC DKT #:

Spot
E2W2  SW  NW
Sec. 36
Twp 9
S. R. 20

1980  feet from

540  feet from

Is SECTION  Regular  Irregular?

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

County: Rooks
Lease Name: Keas
Field Name: Marcotte
Is this a Prorated / Spaced Field?  Yes  No
Target Formation(s): Arbuckle

Nearest Lease or unit boundary: 520
Ground Surface Elevation: 2259 ft MSL
Water well within one-quarter mile:  Yes  No
Public water supply well within one mile:  Yes  No
Depth to bottom of fresh water: 170
Depth to bottom of usable water: 1000
Surface Pipe by Alternate:
Length of Surface Pipe Required: 192
Projected Total Depth: 3818'
Formation at Total Depth: Arbuckle
Water Source for Drilling Operations:  
Well  Farm Pond  Other

DWR Permit #:

(Note: Apply for Permit with DWR)
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 must 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: December 5, 2003  Signature of Operator or Agent: Donna Thanda  Title: Agent

For KCC Use ONLY
Conductor pipe required: NONE feet
Minimum surface pipe required: 192 feet per Acre
Approved by: RSP 12-503
This authorization expires: 6-5-04
(This authorization void if drilling not started within 6 months of effective date.)

Spud date: Agent:

Mall 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: Raney Oil Company, LLC
Lease: Keas
Well Number: 1-B
Field: Marquette

Number of Acres attributable to well: ________________________________
QTR / QTR / QTR of acreage: ___________ E2W2 ___________ SW ___________ NW

Location of Well: County: Rooks
1980 feet from ✓ N / □ S Line of Section
540 feet from □ E / ✓ W Line of Section
Sec. 36 Twp. 9 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.)

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