NOTICE OF INTENT TO DRILL

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

For KCC Use:

Effective Date: __________

District # __________

SGA? X Yes □ No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

OPERATOR: License # 5086
Name: Pintail Petroleum, Ltd.
Address: 225 N. Market #300
City/State/Zip: Wichita, KS 67202
Contact Person: Flip Phillips
Phone: 316-283-2243

CONTRACTOR: License # 4958
Name: Mallard JV

Spot

NE Sec. 10
NW Twp. 19

330

East

feet from N Line of Section

W LINE of Section

Is SECTION □ Regular XIrregular?

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

County: Ness
Lease Name: Kerr “DG” Well #1
Field Name: Franklinville
Is this a Prorated / Spaced Field? □ Yes X No
Target Information(s): Mississippi
Nearest Lease or unit boundary: 330'
Ground Surface Elevation: 2308'
Water well within one-quarter mile: Yes
Public water supply well within one mile: Yes
Depth to bottom of fresh water: 180
Depth to bottom of usable water: 780
Surface Pipe by Alternate: □ 1 2
Length of Surface Pipe Planned to be set: 250
Length of Conductor Pipe required: X None
Projected Total Depth: 4400
Formation at Total Depth: Mississippi
Water Source for Drilling Operations: □ Well □ Farm Pond □ Other  Trucked
DWR Permit #: ______________________

NOTE: Apply for Permit with DWR □

Will Cores be taken? □ Yes X 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 set through all uncompacted 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 if COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 days of spud date.

Date: 3/29/2004
Signature of Operator or Agent: ____________________
Title: Geologist

Remember to:
- File Drill Pit Application (form CPD-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.

X 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: Pintail Petroleum, Ltd.
Lease: Kerr "DG"
Well Number: #1
Field: Franklinville
Number of Acres attributable to well: ____________________________
QTR / QTR / QTR of acreage: NE . NE . NW

Location of Well: County: Ness
330 feet from ✓ N / S Line of Section
2310 feet from ✓ E / ✓ W Line of Section
Sec. 10 Twp. 19 S. R. 24
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).