NOTICE OF INTENT TO DRILL

Must be approved by KCC live (5) days prior to commencing drilling.

SPOT

A N W NW SE

Sec 2 Twp 8S S R 24

Is SECTION Regular Irregular

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

County: GRAHAM

Lease Name: ANDERSON

Field Name: Penakke

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): KANSAS CITY

Nearest Lease or unit boundary: 460

Ground Surface Elevation: 2349

Water well within one-quarter mile: Yes No

Public water supply well within one mile: Yes No

Depth to bottom of fresh water: 150

Depth to bottom of usable water: 1250

Surface Pipe by Alternate: 1 Yes 2

Length of Surface Pipe Planned to be set: 200

Length of Conducting Pipe required: NONE

Projected Total Depth: 3800

Formation at Total Depth: KANSAS CITY

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 shall be set through all consolidated 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 plugging. 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: 4-8-04 Signature of Operator or Agent: [Signature] Title: OPERATOR

For KCC Use ONLY

API # 15 - OGS - 22974.00

Conductor pipe required. No

Minimum surface pipe required. 200 feet per Alt. 0

Approved by: RSP 41.04

This authorization expires: 10.14.04

(This authorization void if drilling not started within 6 months of effective date.)

Spud date: [Signature] Agent: [Signature]

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: Andy Anderson dba: A & A PRODUCTION
Lease: ANDERSON
Well Number: 1
Field: ____________________________

Number of Acres attributable to well:
QTR / QTR / QTR of acreage: NW  NW  SE

Location of Well: County: GRAHAM
2570 feet from N / W
1780 feet from E / W
Sec. 2  Twp. 8S  S. R. 24
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.)

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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).