NOTICE OF INTENT TO DRILL

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

Operable: 2004

2nd Corr: Location & Elevation
3rd Corr: Location

For KCC Use:

Effective Date: 2/14/04
District #: 3
SGA? [Yes] [No] 3

Expected Spud Date: February 13, 2004

OPERATOR:
License#: 33074
Name: Dietz Cherokee Basin Operating Co., LLC
Address: 3541 County Rd 6400
City/State/Zip: Independence KS 67301
Contact Person: Tracy Williams
Phone: 820-331-7870

CONTRACTOR:
License#: 5675
Name: Mphonerson Drilling

Well Drilled For:
Oil [ ] Gas [ ] Storage [ ] Water [ ] Other [ ]

Well Class:
Enr Rec [ ] Infld [ ] Mud Rotary [ ] Air Rotary [ ]

Type Equipment:
[ ] [ ] [ ] [ ] [ ] [ ]

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

Directional, Deviated or Horizontal well? [ ] Yes [ ] No

If Yes, true vertical depth: 

Bottom Hole Location:
KCC DEC #: 1 1

APR WAS: 1520525272900DO: 23152052572900DO: 1AFFIDAVIT

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 in 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 #133.891-1, 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: January 5, 2004
Signature of Operator or Agent: Title: Superintendent

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 distribution plot according to field projection orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Submit water use report 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:

Mall to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202