KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL
Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date: June 10, 2004

OPERATOR: License # 33192
Name: Crown Energy Company
Address: One North Hudson, Sixth Floor
City/State/Zip: Oklahoma City, Ok, 73102-5011
Contact Person: Dallas Flowers
Phone: 316-321-0550

CONTRACTOR: License # 32701
Name: C&G Drilling Inc

Well Drilled For: Oil
Well Class: Enr Rec
Type Equipment: Infield

Well Drilled For: Gas
Well Class: Storage
Type Equipment: Meid Rotary

If OWWO: old well information as follows:
Operator: SACO Oil Company
Well Name: Gilliland #2-10
Original Completion Date: 6/25/78
Original Total Depth: 3040
Directional, Deviated or Horizontal wellbore? Yes

Well: 1
KCC DKT #: 2X

Spot: E 1/2 NE
Sec. 28, Twp. 28, S. R. 6

Is SECTION Regular Irregular

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

County: Butler
Lease Name: Gilliland II
Field Name: Kramer-Stem

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Kansas City
Nearest Lease or unit boundary: 330

Ground Surface Elevation: 1386
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: 180
Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 202
Length of Conductor Pipe required: N/A
Projected Total Depth: 2300
Formation at Total Depth: Kansas City

Water Source for Drilling Operations:

DWR Permit #:

Will Wells be taken? Yes No

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 5/3/05
Signature of Operator or Agent: Production Superintendent

For KCC Use ONLY

API # 15: 015-210772.00-01
Conductor pipe required: None feet
Minimum surface pipe required: 500 feet per Alt. (0)
Approved by: RPS 9.09
This authorization expires: 11.4.09
(This authorization void if drilling not started within 6 months of effective date.)

Spud date: Agent:

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 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.

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: Crown Energy Company
Lease: Gilliland B
Well Number: 2X
Field: Kramer-Stem
Number of Acres attributable to well: 10
QTR / QTR / QTR of acreage: W 1/2 N 1/2 E 1/2 NE

Location of Well: County: Butler
4060 feet from N \checkmark S Line of Section
4950 feet from E \checkmark W Line of Section
Sec. 10 Twp. 28 S. R. 6 \checkmark East \checkmark West

Is Section: \checkmark Regular or \square Irregular
If Section is irregular, locate well from nearest corner boundary.
Section corner used: \square NE \square NW \square SE \square SW

(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).