NOTICE OF INTENT TO DRILL

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

For KCC Use ONLY
API # 15: 251-25386-00-00
Conductor pipe required: None, feet
Minimum surface pipe required: 220 feet per Alt. X°
Approved by: API-2-13-04
This authorization expires: 1/13/06
(This authorization void if drilled not started within 6 months of effective date.)
Spud date: Agent: 

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

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.

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

Date: 7/7/2004 Signature of Operator or Agent: Title: V.P./CEO

Remember to:
- File Drilling 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.
- Well Not Drilled - Permit Expired
Signature of Operator or Agent:
Date:
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: Venture Resources, Inc.
Lease: Deane
Well Number: 6
Field: Bemis-Shutts
Number of Acres attributable to well: 10
QTR / QTR / QTR of acreage: N2 - NE - NE

Location of Well: County: Ellis
330 feet from ✓ N / S Line of Section
660 feet from ✓ E / W Line of Section
Sec. 14 Twp. 11 S. R. 18 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: (CD-7 for oil wells; CG-8 for gas wells).
July 13, 2004

Mr. Ronald Mackey
Venture Resources, Inc.
PO Box 101234
Denver, CO 80250

RE: Drilling Pit Application
Deane Lease Well No. 6
NE/4 Sec. 14-11S-18W
Ellis County, Kansas

Dear Mr. Mackey:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed without slots, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as practical after drilling operations have ceased.

If production casing is set all completion fluids shall be removed on a daily basis.

The fluids should be taken to an authorized disposal well. Please call the District Office at (785) 625-0550 when the fluids have been removed. Also, please file the enclosed CDP-5 form, Surface Pond Waste Transfer, within 30 days of fluid removal.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,

Kathy Haynes
Environmental Protection and Remediation Department

cc: H Deines