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: August 7, 2004

OPERATOR: License #: 33390
Name: E & W Oil Co., Inc.
Address: 122 Nw 130th
City/State/Zip: Hoisington, KS 67544
Contact Person: Vic Hoffman
Phone: (620) 653-4790
CONTRACTOR: License #: 31548
Name: Discovery Drilling

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

If OWWO: old well information as follows:
Operator:
Well Name:
Original Completion Date:
Original Total Depth:
Directional, Deviated or Horizontal wellbore? Yes [x] No
If Yes, true vertical depth:
Bottom Hole Location:
KCC DKT #:

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Kansas Corporation Commission
Oil & Gas Conservation Division

NOTICE OF INTENT TO DRILL

70'N & 150'W of Spot
70'N & 150'W of
NW SE NW Sec 19 Twp 17 S R 12W East
1580 feet from X N S Line of Section
1500 feet from E W Line of Section
Is SECTION X Regular / Irregular? X Regular
(Note: Locate well on the Section Plat on reverse side)

County: Barton
Lease Name: Hoffman
Well #: 1
Field Name:
Is this a Prorated / Shared Field? Yes [x] No
Target Information(s): LKC & Arbuckle

Nearest Lease or unit boundary: 1060'
Ground Surface Elevation: 1825 BGL
Water well within one-quarter mile: Yes [x] No
Public water supply well within one mile: Yes [x] No
Depth to bottom of fresh water: 230'
Depth to bottom of usable water: 300'
Surface Pipe by Alternate: X 1 2
Length of Surface Pipe Planned to be set: None
Length of Conductor Pipe required: 3450'
Projected Total Depth:
Formation at Total Depth:
Arbuckle
Water Source for Drilling Operations:
Well [x] Farm Pond Other
DWR Permit #:
(Note: Apply for Permit with DWR)
Will Cores be taken? Yes [x] No
If Yes, proposed zone:

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: July 26, 2004
Signature of Operator or Agent: [Signature]
Title: Agent

For KCC Use ONLY
API # 15: 009-24801-00-00
Conductor pipe required: None
Minimum surface pipe required: 320 feet per All
Approved by: RJP 7-30-04
This authorization expires: 1-30-05
(This authorization void if driling not started within 6 months of effective date.)

Spud date: [Date]
Agent:

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

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.

Well Not Drilled - Permit Expired
Signature of Operator or Agent: [Signature]
Date: 19-17

For KCC Use:
Effective Date: 8-4-04
District #: [District #]
SGA: Yes [x] No
Form C-1
December 2002
Form must be Typed
Form must be Signed
All blanks must be Filled

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: HOFFMAN OIL CO., INC.
Lease: Hoffman
Well Number: 1
Field:
Number of Acres attributable to well:
QTR / QTR / QTR of acreage:

Location of Well: County: Barton
1580 feet from X N / S Line of Section
1500 feet from E / W Line of Section
Sec. 19 Twp. 17 S. R. 120
Is Section: X 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.

Barton Co., KS

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).