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: 08 20 2004

OPERATOR: Licensee: 9953 Harris Oil and Gas Company
Name: Harris Oil and Gas Company
Address: 1125 Seventeenth Street, Suite 2290
City/State/Zip: Denver, CO 80202
Contact Person: Bud Harris
Phone: 303-293-8838

CONTRACTOR: Licensee: 33006 Ace Drill’n, Inc.
Name: Ace Drill’n, Inc.

Well Drilled For:
Oil
Gas
OWO
Seismic;

Well Class:
Enth Rec
Storage
Disposal

Type Equipment:
Infield
Pool Ext.
Wildcat
Cable

If OWO: old well information as follows:
Operator: n/a
Well Name:
Original Completion Date:
Original Total Depth:

Directional, Deviated or Horizontal wellbore? Yes No
If Yes, true vertical depth: n/a

Bottom Hole Location:
KCC DKT #:

Spot SE NW NE Sec. 29 Twp. 21 S. R. 13
east 690 feet from (circle one) Line of Section
west 1440 feet from (circle one) Line of Section
Is SECTION Regular? Yes No
(Note: Locate well on the Section Plat on reverse side)

County: Stafford
Lease Name: Conner et al.
Field Name: Gates

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Lansing/Arbuckle

Nearest Lease or unit boundary: 690’

Ground Surface Elevation: 1900’
Water well within one-quarter mile: Yes No
Public water supply well within one mile: Yes No

Depths:
Depth to bottom of fresh water: 200’
Depth to bottom of usable water: 260’

Surface Pipe by Alternate: x 1 2
Length of Surface Pipe Planned to be set: 700’
Length of Conductor Pipe required: none

Projected Total Depth: 3850’

Formation at Total Depth: Arbuckle
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. 55-101, 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 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. 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: 07/27/2004 Signature of Operator or Agent: WJ Earn Title: President

Remember to:
- File Drill Permit 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.

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

For KCC Use ONLY

API # 15 - 185 - 23267 00 00
Conductor pipe required: None
Minimum surface pipe required: 280 feet per Alt. 0

Approved by: RSP 8 2 04
This authorization expires: 2 2 06

Spud date: Agent:
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: Harris Oil and Gas Company
Lease: Conner et al.
Well Number: 1-29
Field: Gates

Number of Acres attributable to well: 160
QTR / QTR / QTR of acreage: SE NW NE

Location of Well: County: Stafford
690 feet from S N (circle one) Line of Section
1440 feet from E W (circle one) Line of Section
Sec. 29 Twp. 21S S R. 13
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.)

RECEIVED
JUL 30 2004
KCC WICHITA

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: (C0-7 for oil wells; CG-8 for gas wells).
August 2, 2004

Mr. Bud Harris
Harris Oil & Gas Company
1125 Seventeenth St, Ste 2290
Denver, CO 80202

RE: Drilling Pit Application
Conner et al. Lease Well No. 1-29
NE/4 Sec. 29-21S-13W
Stafford County, Kansas

Dear Mr. Harris:

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 the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again 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 (620) 225-8888 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: S Durrant