For KCC Use: 8-11-04

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 8/22/2004

OPERATOR: License# 33036
Name: Strata Exploration, Inc.
Address: PO Box 401
City/State/Zip: Fairfield, IL 62837
Contact Person: John R. Kinney
Phone: 518-897-2799

CONTRACTOR: License# 30684
Name: Abercrombie RTD, Inc.

Spot
N2 SW NW Sec. 26 Twp. 29S R. 32
682 East West

Is SECTION ______ Regular ______ Irregular ______
(Note: Locate well on the Section Plat or reverse side)
County: Haskell
Lease Name: Kellman
Well #: 2
Field Name: unnamed
If this is a Prorated / Spaced Field: ______
Target Formation(s): St. Louis
Nearest Lease or unit boundary: 682'
Ground Surface Elevation: 294'
Water well within one-quarter mile: ______
Public water supply well within one mile: ______
Depth to bottom of fresh water: 560'
Surface Pipe by Alternate: ______
Length of Surface Pipe Planned to be set: 1770'
Length of Conductor Pipe required: None
Projected Total Depth: 5800'
Formation at Total Depth: St. Louis

Will Cores be taken?
if Yes, proposed zone:

If OWWO: old well information as follows:
Operator: ____________________________
Well Name: ____________________________
Original Completion Date: ______________
Original Total Depth: ______________
Directional, Deviated or Horizontal wellbore? ______
if Yes, true vertical depth: ______________
Bottom Hole Location:

KCC OKT: ______________

CONSERVATION DIVISION
WICHITA, KS

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AFFIDAVIT
The undersigned hereby affirms that the drilling operation 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 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.
Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, 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: 8/2/2004
Signature of Operator or Agent: ______________ Title: ______________

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.

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

For KCC Use ONLY

API # 15 - 081 - 21542 - 00.00
Conductor pipe required: ______
Minimum surface pipe required: __________ feet per Alt. ______
Approved by: __________
This authorization expires: __________
(This authorization void if drilling not started within 6 months of effective date.)
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: Strata Exploration, Inc.
Lease: Kelman
Well Number: 2
Field: unnamed

Number of Acres attributable to well: ___________________________
QTR / QTR / QTR of acreage: N/2, SW, NW

Location of Well: County: Haskell
1730 feet from ✓ N / S Line of Section
682 feet from ✓ E / ✓ W Line of Section
Sec. 26 Twp. 29S S. R. 32
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.)

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AUG 06 2004
OBSERVATION DIVISION
WICHITA, KS

EXAMPLE

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: (CG-7 for oil wells; CG-8 for gas wells).