KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

For KCC Use:

Effective Date: 9/14/2004

District # 1

SGA? Yes No

Expected Spud Date ______ month ______ day ______ year ______

OPERATOR: License# 3532
Name: CMX, Inc.
Address: 150 N. Main, Suite 1026
City/State/Zip: Wichita, KS 67202
Contact Person: Douglas H. McGinness II
Phone: 316-269-9052

CONTRACTOR: License# 5929
Name: Duke Drilling Co., Inc.

Well Drilled For:
- Oil
- Gas
- GWO
- Seismic: # Holes: Other

Well Class:
- Enh Rec
- Storage
- Disposal
- Infield
- Pool Ext.
- Wildcat
- Other

Type Equipment:
- Mud Rotary
- Air Rotary
- Cable

Spot C Em NE: NE Sec: 13 Twp: 31 S. R: 12

East West

feet from

feet from

N / E

S Line of Section

W Line of Section

Is SECTION Regular Irregular?

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

County: Barber

Lease Name: Chain Ranch

Well #: 2

Field Name: ILS West

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Mississippi

Nearest Lease or unit boundary: 330

Ground Surface Elevation: 1573

feet MSL

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: 360

Length of conductor pipe required: None

Projected Total Depth: 4500

Formation at Total Depth: Kinderhook

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:

KCC DKT # * WAS: 990'FNL, 330'FEL, SENEC
IS: 660'FNL, 330'FEL, E2NE NE

AFFIDAVIT ELEV. WAS: 1569

The undersigned hereby affirms that the drilling, completion 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 4132891-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: 8/25/04
Signature of Operator or 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 ploration 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:

For KCC Use ONLY

API # 15
Conductor pipe required None feet
Minimum surface pipe required 200 feet per Acre Approved by:
This authorization expires: 1/28/05

(This authorization void if drilling not started within 6 months of effective date.)

Spud date: , Agent:

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

13
12

13
31
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: CMX, Inc.
Lease: Chain Ranch
Well Number: 2
Field: ILS West

Number of Acres attributable to well: ____________________________
QTR / QTR / QTR of acreage: C NE NE

Location of Well: County: Barber
660 feet from ☑ N / ☐ S Line of Section
330 feet from ☑ E / ☐ W Line of Section
Sec. 13 Twp. 31 S. R. 12

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
AUG 26 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: (CG-7 for oil wells; CG-8 for gas wells).