NOTICE OF INTENT TO DRILL

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

For KCC Use: 10-24-04
Effective Date: 1
District #: 1
SGA? Yes \[ ] No \[ ]

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

OPERATOR: License#: 33235 4/13/05
Name: CHIEFTAIN OIL COMPANY, INC.
Address: 625 South Tenth
City/State/Zip: Kiowa, Kansas 67070
Contact Person: Ron Molz
Phone: 620/825-4338

CONTRACTOR: License#: 5929 6/13/05
Name: DUKE DRILLING CO., INC.

Spot 80°N & 60°W of C-
S/2. SE. NE. Sec. 33 Twp. 32 S. R. 10

Is SECTION X Regular \[ ] Irregular \[ ]

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

County: Barber
Lease Name: INSLEE
Well #: 1
Field Name: Shadrine

Target Information(s): Arduke

Nearest Lease or unit boundary: 720'

Ground Surface Elevation: 1477'

Water well within one-quarter mile: \[ ] Y \[ ] N
Public water supply well within one mile: \[ ] Y \[ ] N

Depth to bottom of fresh water: 120'

Depth to bottom of usable water: 180'

Surface Pipe by Alternate: X 1 2

Length of Surface Pipe Planned to be set: 300'
Length of Conductor Pipe required: None

Projected Total Depth: 5000'

Formation at Total Depth: Arduke

Water Source for Drilling Operations:

Well \[ ] Farm Pond \[ ] Other \[ ]

DWR Permit #: \[ ]

Will Cores be taken? \[ ] Y \[ ] N

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? \[ ] Y \[ ] N
If Yes, true vertical depth:

Bottom Hole Location:

KCC DKT #: X WAS: 620 - 825 - 4338 Corrected
Phone #: 620 - 825 - 4338

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 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 #133,691-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: 10/18/04
Signature of Operator or Agent: Sally R. Byett

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 notation orders;
Notify appropriate district office at least 90 days prior to spud date;
Submit completion report (CP-4) after the completion has been certified;
Submit 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: ____________

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