NOTICE OF INTENT TO DRILL

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

Expected Spud Date: December 21, 2004

OPERATOR: License No. 33937

Name: Running Foxes Petroleum, Inc.
Address: 14550 E. Easter Avenue, Suite 1000
City/State/Zip: Centennial, CO 80112
Phone: 303.671.742

CONTRACTOR: License No. 5786
Name: McGowan Drilling

Spot C. SE. NE. Sec. 23 Twp. 26 S. R. 23

SPOT 1980 feet from S Line of Section
660 feet from E Line of Section

Is SECTION Regular ___ Irregular ___

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

County: Bourbon

Lease Name: Martin Trust
Well #: 8-23

Field Name: Wildcat

Is this a Prorated / Spaced Field? Yes ___ No ___

Target Formation(s): Cherokee Coals

Nearest Lease or unit boundary: 660 feet from East line of drilling unit

Ground Surface Elevation: 900 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: > 100 feet

Depth to bottom of usable water: > 200 feet

Surface Pipe by Alternate: 1 __ 2

Length of Surface Pipe Planned to be set: 20 feet

Length of Conductor Pipe required: None

Projected Total Depth: 550 feet

Formation at Total Depth: Mississippian

Water Source for Drilling Operations:

DWR Permit #: __________

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 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 is to 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: 12/14/04

Signature of Operator or Agent: __________
Title: Agent

For KCC Use ONLY
API # 15: __________
Conductor pipe required: No
Minimum surface pipe required: 20 feet per Alt. + 0
Approved by: ____________
This authorization expires: ____________
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: ____________
Agent: ____________

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: Running Foxes Petroleum, Inc.
Lease: Martin Trust
Well Number: 8-23
Field: Wildcat

Location of Well: County: Bourbon
1980 feet from N / S Line of Section
660 feet from E / W Line of Section
Sec. 23 Twp. 26 S. R. 23 ☑ 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.)

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).