NOTICE OF INTENT TO DRILL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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

Feasible Data: February 1, 2005

OPERATOR: License: 6246
Name: Burnett & Schulte Oil Company
Address: P.O. Box 326
City/State/Zip: Russell, Kansas 67656
Contact Person: Frank Schulte
Phone: 785-483-2721

CONTRACTOR: License: 5431
Name: Yordakalt Drilling Company

Well Drilled For: Gas
Well Class: Well Rotary
Type Equipment: Mod Rotary
Object: Gas

If OWWO: old well information as follows:
Well Name:
Original Completion Date:
Original Total Depth:
Directional, Deviated or Horizontal wellbore?: Yes
If Yes, true vertical depth: None
Bottom Hole Location:
KCC Dkt:

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 rigging site;
3. The minimum amount of surface pipe as specified below shall be set by circulating cement to the top; in all cases where 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 plugging method is necessary prior to plugging;
5. The appropriate district office will be notified before well is either plugged or abandoned. If the operator is committed to;
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 #120,891C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well will 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 information and belief.

Date: January 7, 2005
Signature of Operator or Agent: WILHOLT

For KCC Use Only
ARN #: 127-2327-0000
AY #: 15
SPUD #: lie.0.08

This authorization expires: 39/18-08

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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: 167-23276 - 0000
Operator: Bennett & Schulte Oil Company
Lease No: N/A
Well Number: 2
Field: Ellesser

Number of Acres attributable to well: [ ] QTR / QTR / QTR of acreage: [ ]

Location of Well: County: Russell
1715 feet from Sec / E / S Line of Section
2240 feet from Sec 23, Twp. 12 S. R. 15 East / W. Line of Section

Is Section: [ ] Regular or [ ] Irregular
If Section is Irregular, locate well from nearest corner boundary. Section corner used: [ ] NE [ ] NW [ ] SE [ ] SW

NOTE: In all cases locate the spot of the proposed drilling location, Russell County / Section

RECEIVED
JAN 1 2 2005
KCC WICHITA

EXAMPLE
SEWARD/CO.

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 (CD-7 for oil wells; CD-8 for gas wells).