NOTICE OF INTENT TO DRILL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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

Spud: 90° N & 40° E of

February 4 2005

Expedited Spud Date

Expectated Spud Date

227.05

FORM

Date

Dec 1987

Direction:

Form to be Typed

Farms must be Signed

Air blanks must be Filled

KCC

WICHITA

Operable:

12022000

Date

District #

27

Date

SGAT No.

Yes

EXPIRED

Contractor:

$1 230

Type:

Contraction:

31548 (3-30-05)

3754 (12-20-05)

Observer:

ELKISRURY ENERGY, LLC

1625 Broadway, Suite 2000

1631 E 20TH ST

Name:

Address:

City/State/Zip:

Contact: Person:

Phone:

303 389-3610

Contractor's License:

1360

Well Name:

Ellis

Well #

LI

Field Name:

Bourger

X

Target Information(s):

2003

Lease Name:

Wessels-Shutke

X

Nearest Lease or Unit Boundary:

LRC & Arzbucke

X

Ground Surface Elevation:

180'

Nearest Ocean or Unit:

200'

Water well within one-quarter mile:

X

Depths:

840'

Potable water supply well within one mile:

X

Surface Pipe by Alternate:

X

Depth to bottom of fresh water:

X

Length of Surface Pipe Planned to be Set:

X

Depth in bottom of upper water:

X

Length of Conductor Pipe required:

X

Projected Total Depth:

3600'

Formation at Total Depth:

Water Source for Drilling Operations:

X

X

Well:

Farm Pond

Other

W

(DWR Permit #)

Note: Minimum 20 feet of soil in the underlying formation.

If Yes, How Vertical:

Bottom Hole Orientation:

KCC DKT #

X

Yes

X

No

Unit Boundary - All of Sec. 27. 1/4N Received

[Diagram]

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 57 et seq.

The form is a copy of the approved notice of intent to drill shall be posted on each drilling rig.

The minimum amount of surface area so specified below shall be set by extending inward to the top, at all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet in the underlying formation.

If this well is a dry hole, an agreement between the operator and the drilled party on plug length and placement is necessary prior to plugging.

If an ALTERATION II COMPLETION, production pipe shall be affixed from below any usable water to surface within 120 days of spud date.

If the operator fails to notify the KCC DKT # within 30 days of the spud date or the well shall be plugged in an method, NOT to indicate office or any other method.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

24 Jan 2005

Signature of Operator or Agent:

For KCC Use Only

AYT # in:

OSI 25396.060

Conductor pipe required:

NONE

Minimum surface pipe required:

200'

Approved by:

SP 22.05

This authorization expires:

[This authorization valid if drilling not started within 6 months of effective date]

Spud date:

Agent:

For Dwyer Person Application from CEC 11 with notice to plugging

For completion Form ACD 1 within 120 days of spud date

For acreage allocation plot according to field price order

Notify appropriate district office 48 hours prior to whenever or any one.

Fill out pumping 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 Dwyer or agent.

Date

Bail to:

KCC - Conservation Division, 130 S. Market - Room 2075, Wichita, Kansas 67202

RECEIVED

FEB 1 2005

AGENT

KCC WICHITA

Received

RECEIVED

FEB 1 2005

AGENT

KCC WICHITA

Received
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:
Lessee:
Well Number:
Field:

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

Location of Well: County

2550
1360

Line of Section

27
11
17W

Sec.

X

Lot

N

X


Line of Section

X

X


If Section is Irregular, locate well from nearest corner boundary.

Section number used: NE | NW | SE | SW

NOTE: In all cases locate the spot of the proposed drilling location.

Ellis Co., KS

in plotting the proposed location of the well, you must show:

1. The pattern in which you are using the depicted plat by identifying section lines, e.g. 1 section, 1 section with 8 surrounding sections, 4 patterns, 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, CG-8 for gas wells).