NOTICE OF INTENT TO DRILL

KANSAS CORPORATION COMMISSION
CIL & GAS CONSERVATION DIVISION

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

Effective Date: December 2002
Form must be Typed
All blanks must be Filled

For KCC Use:
SGA?

Yes

No

Expected Spud Date:

03/29/05

OPERATOR:

License #:

5447

Name:

CZY USA Inc.

Address:

P.O. Box 7258

City/State/Zip:

Lawrence, KS 66044

Contact Person:

Vicki Carter

Phone:

(913) 822-8420

CONTRACTOR:

License #:

32050

Name:

Martin Drilling Co. Inc.

Well Drilled For:

Well Class:

Type Equipment:

3D

Elast Rec

Old

Cemented

Stir

Storage

Pool Exit

Rotary

OWNO

Disposal Well

Wireline

Cable

Seawater:

# of Holes:

Other

If OWNO, old well information as follows:

Operator:

Original Completion Date:

Original Total Depth:

Directional, Deviatal or Horizontal well?

Yes

No

If Yes, true vertical depth:

Bottom Hole Location:

KCC Dist. #

Provided by Purchase Agreement

AFFDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of the well will comply with K.S.A. 55-101, et. seq.

It is agreed that the following maximum requirements will be met:

1. Notify the appropriate district office prior to spudding of well.
2. A copy of the approved notice content to drill shall be posted on or near drilling rig.
3. The maximum amount of surface pipe as specified below shall be left by circulating cement to the top; in all cases surface pipe shall be set through all unconsolidated materials plus a maximum of 20 feet into the underlying formation.
4. If the well is a dry hole, an agreement between the operator and the KCC office in the Well # of Drilling Orifice 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 usable water to surface within 120 days of spud date. Or pursuant to Appendix "B", EasternKansas surface casing depth 135,091'-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 120 days if the spud date or the well shall be plugged. All cases, NOTIFY district office prior to any cementing.

Date:

February 9, 2005

Signature of Operator or Agent:

Title:

Capital Project

For KCC Use Only:

API # 15-

175.21973.00.00

Conductor pipe required:

N

O

Maximum Surface pipe required:

940

feet

Approved by:

2.143

feet per ft.

Agent:

(115.070.000.00)

This authorization expires:

02/15/05

Spud date:

03/29/05

Remember to:

- File Drilling Application (form CDP-1) with trust to Drill.
- File Completion Form ACD-1 within 120 days of spud date;
- File average surface plot according to field production order;
- Notify appropriate district office 45 days prior to workover or re-entry;
- Submit plugging report (COP-2) after plugging is completed;
- Obtain written approval before disposing of injected salt water;
If this permit has expired (own authorized expiration date) please check the box below and return to KCC the address below:
- Well Not Drilled - Permit Expired

Mail to:

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

Date:

February 9, 2005

RECEIVED

FEB 11 2005

KCC WICHITA
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 15 mile of the boundaries of the proposed acreage attribution unit for oil wells.

AP No. 15
Operator:
Lease:
Well Number:
Field:

Location of Well: County__________________________
Sec__________________________ Twp__________________________ R__________________________

Is Section □ Regular or □ Irregular

Number of Acres attributed to well: ____________________________
GTR (GTR (GTR) of acreage: ____________________________

[Diagram of proposed well location]

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

Seward County

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 sections 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. [CO-7 for oil wells; CG-8 for gas wells].)