NOTICE OF INTENT TO DRILL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

February 7, 2005

Expected Spud Date: February 7, 2005

OPERATOR: Sedona Oil & Gas Corporation

Contact Person: Lang J. Fajula
Phone: (214) 383-6383, Extension 2225

CONTRACTOR: Nez Drilling

Well Site Location:

Well Affected For:

Well Class:

Type Equipment:

Well Affected For:

Well Class:

Type Equipment:

Ground Surface Elevation: 1474

Water well within one-quarter mile: Yes

Public water supply well within one mile: No

Depth to bottom of usable water: 590

Surface Pipe by Alternate: Yes

Length of Surface Pipe Planned to be set: 366

NOTICE OF INTENT TO DRILL

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.A.C.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 at each drilling site.
3. The maximum amount of surface pipe as specified below shall be set by circulating cement to the top; in all cases surface pipe shall be set in all unconsolidated materials at a minimum of 20 feet into the underlying formation.
4. If the well is in 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 is being commenced.
6. If an alternate II completion, production pipe shall be cemented from below any usable water to surface within 120 days of spudding.

Or pursuant to Article 81 - Eastern Kansas surface casing order 231.81 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: January 28, 2005

Signature of Operator or Agent: [Signature]

Title: Certified Petroleum Geologist

Remember:

1. File Drift Pit Application (Form CD-1) with Intent to Drill.
2. File Completion Form KCC 2 within 120 days of spudding.
3. File completion report (CD-2) no later than 120 days after completion.
4. Submit written approval before disposing of or generating salt water.

If this permit has expired (see authorized expiration date) please check the box below and return to the KCC. If not, the permit will be extended.

Well Not Drilled - Permit Expired

We hereby give notice that the operator (agent) is:

Date: [Signature]

The permit is hereby extended.

KCC - Conservation Division, 135 S. Market - Room 2078, Wichita, Kansas 67202

December 2002

Form K-1

This form must be filled out in black or blue ink. The form must be typed.

All blanks must be filled in.

For KCC Use Only

Apt # 15 - 019898424.00.00

Minimum piping size required: 2/82.

Approved - 2/10/05

This authorization expires 2/10/05.

Spud date: 2/10/05

well

foot per hr

4.20

4.05

Valid until: KCC - Conservation Division, 135 S. Market - Room 2078, Wichita, Kansas 67202

Receievd: 3/01/05

Great Plains Oil & Gas Conservation Commission

CC Wichita

[Signature]
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 or 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: Location of Well: County: Barton
Operator: Sedona Oil & Gas Corporation 2152 feet from
Lease: Yellow/Clark feet from
Well Number: 1 feet from
Field: Sanford

Location from

% N \\ W Line of Section

% E \\ W Line of Section

Sec. 24 \\ Tap. 17 \\ R. 14 \\ T. 14

[Diagram showing well location]

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.

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

1. The manner in which you are using the prorated plat by identifying section lines, i.e., 1 section, 1 section with 6 surrounding sections, 4 sections, etc.

2. The distance of the proposed driller 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 attested (CG-7 for oil wells; CG-8 for gas wells).

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.)

RECEIVED
SEWARD CO.

JAN 3 2005

KCC WICHITA