NOTICE OF INTENT TO DRILL

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

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Electric Spud Date: February 25, 2005

Expected Spud Date: February 25, 2005

month day year

OPERATOR: 33517
Name: Kansas Production Co, LLC
Address: 10425 North Freeway, Suite 230
City/State/Zip: Houston, Texas 77090
Contact Person: Jeff Stinemen
Phone: 281-875-6200

CONTRACTOR: License 5675
Name: McPierison Drilling, LLC

Well Drilled For: Oil
Well Class: Mud Rotary
Type of Equipment: Mud Rotary

If OWWA: old well information is follows:
Operator: 
Well Name: 
Original Completion Date: 
Original Total Depth: 
Directional, Deviated or Horizontal well?: Yes [ ] No [ ]
If Yes, true vertical depth: 
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 drilling rig;
3. The minimum amount of surface pipe as specified below shall be set by coiled tubing cement to the top; in all cases surface 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 placement is necessary prior to plugging;
5. The appropriate district office will be notified before well is either pluged or production casing is cemented in;
6. If an ALTERNATE or COMPLETION, production pipe shall be cemented from below the Spud date to surface within 120 days of spud date; Or pursuant to Appendix "F", Eastern Kansas surface casing order #130,891-C, which applies to the KCC District 3 area, alternate if cementing must be completed within 30 days of the spud date in the well shall be plugged; In all cases, NOTIFY district office prior to any cementing;

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

Date: 02/06/2005
Signature of Operator or Agent:

Title: Operations Manager

Mail to: KCC - Conservation Division, 130 S. Market - Room 207A, Wichita, Kansas 67202

For KCC Use Only
API # 15: 125 - 30715 .00-00
Conductor pipe requirement: 80 feet
Minimum surface pipe requirement: 20 feet per Ab.
Approved to: 02/17/05
This authorization valid if drilling not started within 6 months of effective date.

Spud date:

Agent:

Remainder:

- File DWI Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACC-1 within 120 days of spud depth;
- The acreage allocation must according to field pumpout orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-6) after plugging is completed;
- Obtain written approval before disposing of any salt water;

If this permit has expired (file an extended expiration date) please check the box below and return to the address below:
West Has Deferred [ ] West Expired [ ]

Signature of Operator or Agent:

Date:

KCC - Conservation Division, 130 S. Market - Room 207A, Wichita, Kansas 67202
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plot 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 plot below showing that the well will be proportionately 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: Kansas Production EOR, LLC
Lease: ________________
Well Number: 1-28
Field: Jefferson-Sycamore
Number of Acres attributable to well: 360
QTR / QTR / QTR of acreage: SWSE NW

Location of Well
County: Montgomery
2150 feet from Line of Section
1680 feet from Line of Section
Soc. 26 Twp. 33 S. R. 1E
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.)
(Shade 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 stippled 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-9 for gas wells.)