NOTICE OF INTENT TO DRILL

RECEIVED
KANSAS CORPORATION COMMISSIONER
OIL & GAS CONSERVATION DIVISION
MAR 16 2005

WICHITA, KS

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing.
All blanks must be filled.

for KCC Use Only

API #: 089-34829-00-00

Conductor pipe required: NONE

Minimum surface pipe required: 400 feet per Ab Oil

This authorization expires:
(This authorization may if drilling ceases within 6 months of effective date)

Spot date: Agent

Mail to: KCC - Conservation Division, 130 S market - Room 207B, Wichita, Kansas 67202

Operator: License 3134
Name: SLM Company
Address: P.O. Box 192
City/State/Zip: Russel, KS 67665
Contact Person: Terry Morris
Phone: (786) 483-2123

Contractor: License 3437
Name: Yonfard Drilling, Inc.

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

1. Notify the appropriate district office prior to spudding well;
2. The minimum amount of surface pipe as specified below shall be set by circulating 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.
3. The well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
4. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
5. If an alternate 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 #133,851-C, which applies to the KCC District 2 area, alternate #3 capping 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 capping.

Hereby certify that the statements made herein are true and correct, to the best of my knowledge and belief.

Date: March 16, 2005
Signature of Operator or Agent:

Remember to:
- File DHR Application (form CDIP-1) with Intent to Drill.
- File Completion Form KCD-3 within 10 days of spud date.
- File acreage information report according to field promotion orders.
- Notify appropriate district office 48 hours prior to workover or re-entry.
- Submit plugging report (form #4-4 after plugging is completed.
- Obtain written approval before disposing or injecting salt water.
- If this permit has expired (kills authorized expiration date) please check the box below and return to the address below.

WAIVER NOT DRILLED - PERMIT EXPIRED

Signature of Operator or Agent:

Date:
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: GLM Company
Lease: Carter
Well Number: 3
First: Tripp
Number of Acres attributable to well: 
QTR / QTR / QTR of acreage: NE, SW

Location of Well: Country: 
Section: 31
Township: 16
Range: 13
Is Section: Regular or Irregular
Is Section: Regular or Irregular

PLAT

(Show location of the well and the acreage attributable acreage for prorated or spaced wells.)
(Show forever 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 depicted plat by identifying section lines, i.e. 1 section, 1 section with a surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section’s north, south, and 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-6 for gas wells).