KANSAS CORPORATION COMMISSION
OIL & GAS REGULATION DIVISION
NOTICE OF INTENT TO DRILL
Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date: 04/10/2005

OPERATOR: Grady Bottling Corporation
Name: Grady Bottling Corporation
Address: P.O. Box 486
City/State: Ellinwood, Kansas 67526
Contact Person: Grady Bottling
Phone: 620-564-2240

CONTRACTOR: Vonfeldt Drilling, Inc.
Name: Vonfeldt Drilling, Inc.

Well Drilled For:
- Oil
- Enr Rec
- Gas
- Storage

Well Class:
- OIl
- Enr Rec
- Gas
- Storage

Type Equipment:
- Mud Rotary
- Air Rotary
- Cable

Well Details:
- Total Depth: 2038 ft
- Water Depth: 1600 ft
- Line or Depth of Section: 17 ft
- Well #: 3
- Surface Pipe by Antenna: 1
- Well Location: KCC DRTK

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

- Notifies the appropriate district office prior to spudding of well
- The minimum amount of surface pipe as specified below shall be set by grounding cement to the top, in all cases, surface pipe shall be set through unconsolidated materials plus a minimum of 20 feet into the underlying formation
- Agreement between the operator and the district office for plug length and placement is necessary prior to plugging
- The appropriate district office will be notified before well is either plugged or production casing is cemented in
- Production pipe shall be cemented from below any usable surface within 120 days of spud date
- Well Depth: 2038 ft
- Water Depth: 1600 ft
- Line or Depth of Section: 17 ft
- Lease Name: Marion Staab A
- Field Name: Catherine NW
- Target Formation(s): Arbuckle
- Net Mfr: 6100
- Water well within one-quarter mile: No
- Public water supply well within one mile: No
- Depth to bottom of fresh water: 180 ft
- Depth to bottom of usable water: 740 ft
- Length of Surface Pipe Planned to be set: 1
- Projected Total Depth: 3600 ft
- Well Completion: Yes
- Water Source for Drilling Operations: Farm Pond
- Well Location: KCC DRTK

Date: 7-17-05
Signature of Operator or Agent: [Signature]
Title: [Title]

For KCC Use ONLY
API # 15 - 25401.00 A
Conductor pipe required: 200 feet
Maximum surface pipe required: 9,180.05 feet per A

This authorization expires: 9-18-05

RECEIVED
Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

KCC WICHITA

Form C-1
December 2000
Form must be Typed
All blanks must be filled
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 plan 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: Location of Well: County: Ellis
Operator: Grady Oilfield Corporation
Lease: Marion Staab A
Well Number: 3
Field: Catherine NW

Number of Acres attributable to well: 10

QTR / QTR / QTR of acreage: E/2, SE, NW

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, 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 (CO-7 for oil wells; CO-8 for gas wells).