NOTICE OF INTENT TO DRILL

 must be approved by the K.C.C. five (5) days prior to commencing work.

Operator(s):
Name: LAWSON OPERATING COMPANY
Address: 902 WEST HIGHWAY 4
city/state/zip: DUMMITZ, KS 67646-9661
Contact Person: TOMALLARD, Phone: (620) 673-7206

CONTRACTOR:
License #: 33550
Name: SOUTHWARD DRILLING, INC.

Well #:
Well Class: Mud Rotary
Type Equipment: Med Rotary

City Well: N
Depth: 2060 ft

If OWTO: old well information as follows:
Operator:

Wet Name:
Original Completion Date:
Original Total Depth:

Directional: Yes No

Borehole Location:

KCC DKT:

AFFIDAVIT

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

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

1. Notify the appropriate district office prior to squeezing of well
2. A copy of the approved Notice of Intent to Drill shall be posted on each drilling site
3. The minimum amount of surface pipe as certified below shall be set by cementing 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 a dry hole, an agreement between the operator and the district office on plugging length and plugging is necessary prior to plugging
5. The appropriate district office will be notified before well is either plugged or abandoned
6. If an ALTERATE COMPLETE PRODUCTION pipe shall be cemented from below any usable water surface or within 120 days of spud out
7. Pursuant to Appendix B - Eastman Kansas surface casing Liner 38995-0, which applies to the KCC District 3 area, attempts at cementing must be completed within 30 days of spud out or the well shall be plugged in all cases, NO DATA district office is any concern

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

Date: 03/19/2005
Signature of Operator or Agent: Title: SECRETARY/TREASURER

Remarks to:

For KCC use ONLY

API #: 15-243797-000
Conductor pipe required: HOME
Minimum surface pipe required: 220/4 feet
Approved by: J.W. 3-22-05

This authorization expires: 7-22-05

Mail to:
KCC - Conservation Division 130 S. Merkert - Room 207, Wichita, Kansas 67202
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 line 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 3/4 mile of the boundaries of the proposed acreage attribution unit for oil wells.

AIH No. 15 - 125-24-744-000
LARSON OPERATING COMPANY
Operator: A DIVISION OF LARSON ENGINEERING, INC.
Lease: MOLESH
Well Number: 1-19
Field: WILDCAT

Location of Well: County: NESS

(510) feet from □ N □ S Line of Section
2060 feet from □ E □ W Line of Section

Sec. 19, Twp. 18, R. 26, □ East □ West

In Section: □ Regular or □ Irregular

If Section is Irregular, locate well from nearest corner boundary. Section corner used: □ NE □ NW □ SE □ SW

Number of Acres attributable to well: QTR / QTR / QTR of acreage: ___________ ___________

PLAT

(Show location of the well and acreage attributable acreage for prorated or spaced wells.)
(Show 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 depicted plat by identifying section lines, i.e. 1 section, 4 section, etc.
2. The distance of the proposed drilling location from the section's north / south 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.)