KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

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

Form C-1
December 2002
Form must be Typed
All blanks must be Filled

For KCC Use:
Effective Date: 3-7-05

KCC #
SGA # Yes No

January
February
March
April
May
June
July
August
September
October
November
December

 Expected Spud Date: February 28, 2005

<table>
<thead>
<tr>
<th>Well</th>
<th>NW</th>
<th>NW</th>
<th>SW</th>
<th>SW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spot</td>
<td>10</td>
<td>23</td>
<td>S</td>
<td>R</td>
</tr>
<tr>
<td>East</td>
<td>10</td>
<td>Yes</td>
<td>No</td>
<td></td>
</tr>
</tbody>
</table>

2500

feet from Section

feet from

feet from

feet from


Is SECTION

Regular

Irregular


(10) No Local well on the Section Plan or reverse side

County: Reno

Lessee: Miller

Well #10

Field Name: Wildcat

Is this a Perforated / Spaced Firth

Target Formation(s): Arbuckle

No Notice of Lease or use boundary

130'

Ground Surface Elevation: 1750

feet MSL

Water well within one-quarter mile

Public water supply well within one mile

Depth to bottom of fresh water: 120'

Dwth to bottom of usable water: 180

Surface Pipe by Alternate:

Length of Surface Pipe Plated to be:

220'

Length of Conductor Pipe required: None

Projected Total Depth: 3800'

Formation at Total Depth: Arbuckle

Water Source for Drilling Operations:

Wildcat Farm Pond

DWR Permit #:

(10) Applies for Permit with DWR

Wll Cores to be taken:

Yes No

If Yes, proposed time: (3) Yes No

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 circulating cement to the top; in all cases surface pipe shall be set through at 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 plugged or production casing is run;
6. If an ALTERNATE II 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 (1981) 12,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date of the well during this period. Any casing, or line of holes.

Date: February 21, 2005
Signature of Operator or Agent: President

Mail to: KCC - Conservation Division, 130 S. Market - Room 298, Wichita, Kansas 67202

Mail to: KCC - Conservation Division, 130 S. Market - Room 298, Wichita, Kansas 67202

Date: 10-23-00

Signature of Operator or Agent: President

Remember to:

- File Drill Plan Application (form CDP-1) with intent to Drill;
- File Completion Form ACO-I within 120 days of spud date;
- File permeability test plan according to field gospel orders;
- Notify appropriate district office 48 hours prior to re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing of drilling salt water.

If this permit has expired (See authorized expiration date) please check the box below and return to the address below.

- Well Not Drilled - Permit Expired
- Signature of Operator or Agent: President

Mail to: KCC - Conservation Division, 130 S. Market - Room 298, 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 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: Grand Mesa Operating Company
Lease: Miller
Well Number: 5-10
Fields: Wildcat

Number of Acres attributable to well: 20 acres
QTR / QTR / QTR of acreage: NW, NW, SW
& SW

Location of Well: 2500 feet from S Line of Section
330 feet from E Line of Section
Sec.: 10
Twp.: 23
Rng.: 10

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 show 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 plot 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 must be attached (Code 7 for oil wells; Code 8 for gas wells).
March 2, 2005

Mr. Ronald N. Sinclair
Grand Mesa Operating Company
200 E. First St. Ste 307
Wichita, KS 67202

Re: Drilling Pit Application
Miller Lease Well No. 1-10
SW/4 Sec. 10-23S-10W
Reno County, Kansas

Dear Mr. Sinclair:

District staff has inspected the location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has instructed that no earthen pits are to be used at the location. Steel pits are to be used. Please inform the Commission in writing as to which disposal well you will utilize to dispose of the contents in the steel pits and the amount of fluid which will be disposed.

Should a haul-off pit be necessary, please complete the enclosed CDP-1. This location will have to be inspected prior to approval of the haul-off pit application.

Sincerely,

Kathy Haynes
Environmental Protection and Remediation Department

Cc: D Louis