KANSAS CORPORATION COMMISSION
Oil & Gas Conservation Division
NOTICE OF INTENT TO DRILL
Must be approved by KCC five (5) days prior to commencing well

OPERATOR:
Popp Operating, Inc.
Address: 270 E Colby St.
Employee: Nolanning, Kansas 67544
Contact Person: Rocky Popp
Phone: 800-796-6514

CONTRACTOR:
Name: Discovery Drilling, Inc.
License: 31548

Spc: N2, N1, SE

Expected Spud Date: April 8, 2006

Date: 3/15/05
Signature of Operator or Agent: [Signature]
Title: [Title]

For KCC Use ONLY
API #: N3-2Y-00000000

Computer pipe required: N2E SE

Minimum length pipe required: 250 feet per All O & P

This authorization expires 11/1/05

(All authorization will be cancelled within 6 months of effective date.)

Spud date:

For FCC Use ONLY

Mail to: KCC - Conservation Division, 130 S. Market - Room 207, Wichita, Kansas 67222

Received: MAR 15 2005

KCC WICHITA
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plan 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 prorating from the common source of supply. Please show all the wells and within 1/2 mile of the boundaries of the proposed acreage attribute unit for gas wells and within 1/4 mile of the boundaries of the proposed acreage attribute unit for oil wells.

APL No. 15
Operator: Fogg Operating, Inc.
Lease: Fanning
Well Number: 11
Field: Chase-Slice

Number of Acres attributable to well: ___________ GTR / GTR / GTR of acreage: N2 / N2 / SE

Location of Well: County: Barton
2310 feet from S Line of Section
20 feet from W Line of Section
Sec. 11, Twp. 20, S. R. 11, East (✓) West

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)
(Show footage to the nearest lease or unit boundary line)

EXAMPLE

SEWARD & CO.

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 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 all wells; CD-6 for gas wells).
March 18, 2005

Mr. Rickey Popp
Popp Operating, Inc.
PO Box 167
Hollis, KS 67544

RE: Drilling Pit Application
Permitting Lease Well No. 11
SE/4 Sec. 11-20S-11W
Barton County, Kansas

Dear Mr. Popp:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed without slots, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again as soon as practical after drilling operations have ceased. Please keep all pits away from any ditches.

If production casing is set, all completion fluids shall be removed on a daily basis.

The fluids should be taken to an authorized disposal well. Please call the District Office at (785) 625-0651 when the fluids have been removed. Also please file the enclosed CDP-5 form, Surface Pond Waste Transfer, within 30 days of fluid removal.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,

[Signature]
Kathy Haynes
Environmental Protection and Remediation Department

cc: H Deines