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

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

Form G-1
December 2000
Form must be Typed
Form must be Signed
All blanks must be Filled

For KCC Use:
Effective Date: 27-31
District #: 315
Yes: No

3-1-05

March 3, 2005

Expected Spud Date: 3-1-05

month day year

(3-05-05)

OPERATOR: Licensee: 30031
Name: Daylpetro Petroleum, Inc.
Address: 1321 W. 6th St. At.
City/State/Zip: Valley Center, KS 67147
Contact Person: Charles Schmidt
Phone: 316-755-5523

CONTRACTOR: Licensor: 5822
Name: Val Energy, Inc.

Well Drilled For:
Type: Option
WELL Class:
Other

Well Class:
Prof Drilled

Type: C & W2

Sec: 27

Spud:

31S

Twp: 27 N

Mill:

31S

Range: 61 W

Line of Section:

E 1/2

Line of Section:

W 1/2

NOTE: Locate well on the section line on reverse side

Sioux

County: Seward

Lease Name: Umm-Fitch A

Well #: 1-27

Field Name: Chase Oil SW

Is a促essor / leased field? Yes: No

Target Formation: Mississippi

Lease Expiry or Unit boundary: 1320

Ground Surface Elevation: 1260

feet MSL

Water well within one-quarter mile: Yes: No

Public water supply well within one mile: Yes: No

Depth to bottom of usable water: 500

feet

Surface Pipe by Alternate:

1

Length of Surface Pipe Planned to be Set: 1700

feet

Length of Conductor Pipe required: None

Projected Total Depth: 6000

Formation at Total Depth: Mississippi

Water Source for Drilling Operations:

Well: Farm Pond

Other

GWR Permit #: 8th Permit

(Water: Apply for Permit with DWR)

(Core): 1

If Yes, proposed zone:

Yes: No

AFFIDAVIT

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 all unremodeled materials plus a minimum of 20 feet into the underlyingformation.

4. If the well is dry hole, an agreement between the operator and the district office on plug and placement is necessary prior to plugging.

5. The appropriate district office will be notified before well is either plugged or production casing is cemented in.

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 "D" - Eastern Kansas surface raising order #133-86-G, which applies to the KCC District 3 area, alternate II cementing 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 cementing.

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

Date: 07/24/2005

Signature of Operator or Agent:

President:

For KCC Use ONLY

API #: 519

175-21.975-0.0000

Conductor pipe required:

8" Nipple

Minimum surface pipe required: 9600 feet per Acre

Approval #: 3SL 2-29-05

This authorization expires:

This authorization will only be valid for the first 8 months of effective date.

Spud date:

Agent:

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

Remember to:

File Drill Plan Application (form CDP-1) with Intent to Drill.

File Completion Form ACO-1 within 120 days of spud date.

File average plugging plan according to field prevention orders.

Notify appropriate district office 48 hours prior to workover or re-entry.

Submit plugging report (GP-4) after plugging is completed.

Obtain written approval before disposing or injecting 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:

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: Daystar Petroleum, Inc.
Lessee: Uninc-Fricker A
Field: Thirty One SW

Number of Acres attributable to well: ___________ . ___________ . W12

QTR / QTR / QTR of acreage: ________ . ________ . ________

Location of Well: ___________ . County: Seward


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.)

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: ________ for oil wells; ________ for gas wells.)