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

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

For KCC Use only:

Date of form: [12/05]

Expected Spud Date: March 30, 2005

OPERATOR:
License # 31168
Name: WOOLEY OPERATING COMPANY, LLC
Address: 125 N. Market, Suite 1300

City/State/Zip: Wichita, Kansas 67220

Contact Person: Dean Patterson
Phone: 316-267-4393 ext 107

CONTRACTOR:
License # 5985
Name: Dule Drilling Co., Inc.

Well Drilled For: Well Class: Type Equipment:

If Oil/W: will oil information as follows:
Operator: Rine Exploration Company
Well Name: Oct 1
Original Completion Date: 10/8/97 Original Total Depth: 4440'1
Directional: Divided or Horizontal well?
[ ] Yes [ ] No
If Yes, true vertical depth:
Bottom Hole Location:

KCC OKT #

Original 1987 intent to locate as C SE NW SE (160S FL, 1600 FE).
Subcate survey found to be 15' S of C SE NW SE (167S FL, 1650 FE).

Wells

Date: 3/25/05
Signature of Operator or Agent: Dean Patterson
Title: Operations Manager

For KCC Use Only:

API # 18 - 007 22 167 06 O

Conductor pipe required:
[ ] None

Minimum surface structure depth: 360 feet

This authorization expires: 9-28-05

Wells

Mail to: KCC - Conservation Division, 130 S. Market - Room 207B, Wichita, Kansas 67202

Re

MAR 24, 2005

KCC-WICHIT

Wells

Date: 3/25/05
Signature of Operator or Agent:

Affidavit

The undersigned hereby affirms that the drilling, completion and eventual plugging of the 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 will be posted on each drilling rig.
3. The minimum amount of surface space as specified below shall be set by cementing to the top, in all cases surface pipes shall be set through all uncompleted exploratory plus a minimum of 25 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 reinstatement is necessary prior to plugging in.
5. The appropriate district office will be notified before well is ever plugged or production casing is cemented in.
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water below surface within 120 days of spud date.

Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, all 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 are true and to the best of my knowledge and belief.

Date:

Signature of Operator or Agent:

Dean Patterson

Title: Operations Manager

Reminder:

- Drill Pit Application (form: CDP-4) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File average attribution plan according to field provision request;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (C-11) 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 is 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: WOOLSEY OPERATING COMPANY, LLC  
Lease: ORR  
Well Number: "OWWO"  
Field: Medicine River SW

Number of Acres attributable to well: 

QTR / QTR / STR or acreage: 79  8, SE  8 E

Location of Well: County: 1575  
Barber:  

Location from N or E Line of Section: 1650 feet from 11  
Line of Section:  
Sec: 7  
East West

Section from: 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 proposed 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 / 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 all wells; CO-8 for gas wells).
March 28, 2005

Mr. Dean Pattisson
Woolsey Operating Company, LLC
125 N. Market St Ste 1020
Wichita, KS 67202

RE: Drilling Pit Application
Orr OWWO Lease Well No. 1
SE/4 Sec. 07-32S-12W
Barber County, Kansas

Dear Mr. Pattisson:

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 practical after drilling operations have ceased.

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 (620) 225-8888 when the fluids have been removed. Also, please file the enclosed COP-3 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,

Kathy Haynes
Environmental Protection and Remediation Department

cc: S Durrant