NOTICE OF INTENT TO DRILL

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

KANSAS CORPORATION COMMISSION
Oil & Gas Conservation Division

Expected Spot Date: May 31, 2005

OPERATOR:
Name: M. D. Rice, Inc.
Address: 1551 N. Waterford Parkway, Suite 150
City/State/Zip: Wichita, KS 67206
Contact Person: Douglas H. McGinnis II
Phone: 318-263-9522

CONTRACTOR: License 5239

Well Drilled For:
- [ ] Oil
- [ ] Gas
- [X] Water
- [ ] Gas
- [ ] Oil
- [ ] Storage
- [X] Water Disposal
- [ ] Oil Disposal
- [ ] Other

Well Class:
- [X] MD
- [ ] CTD
- [ ] Other

Type Equipment:
- [X] Mud Rotary
- [ ] Air Rotary
- [ ] Other

If CTD, the well information as follows:
Operator:
- [X] Yes
- [ ] No

Well Name:
Original Completion Date:
Original Total Depth:
Directional: Designed for Horizontal Wells:
- [X] Yes
- [ ] No

If yes, true well depth:
Bottom Well Location:

KCC DMT #:

Look for, but not limited to:
- Gas in water
- Gas
- Oil
- Salt Water
- Mud
- Waste

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

KCC DMR #:

Required on a CTD, this notice may be completed within 30 days of the initial spotting of the well by the driller. If this notice is not completed within 30 days, the well drilling shall be considered abandoned.

For KCC only:
API #
Contrator's name:
Contractor's phone:
Minimum surface pipe required:
Original section:
This authorization expires:
Spud Date:

For KCC ONLY:
API #:
Contrator's name:
Contractor's phone:
Minimum surface pipe required:
Approved section:
This authorization expires:
Spud Date:

For KCC ONLY:
API #:
Contrator's name:
Contractor's phone:
Minimum surface pipe required:
Approved section:
This authorization expires:
Spud Date:

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, 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 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 - 007-22897-0000
Operator: CMR, Inc.
Lessee: Davis Ranch
Well Number: 2-5
Field: Ashna Gas Area
Number of Acres attributable to well: 500

Location of Well: County: Barter

600
Line of Section
1400
Sec. 6, Twp. 35, S. R. 14
In 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.)

CORRECTED

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. '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 oil wells; CG-8 for gas wells).