For KCC Use:
Date: 5/22/05

Kansas Corporation Commission
Oil & Gas Conservation Division

NOTICE OF INTENT TO DRILL

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

Expected Spud Date 5 - 30 - 2005

OPERATOR: 5123
Name: Pickrell Drilling Company, Inc.
Address: 100 S. Main, Suite 305
City/State/Zip: 62202
Contact Person: Larry J. Richardson
Phone: 316-262-8427

CONTRACTOR: 5123
Name: Company Tools

Well Drilled For: 
Well Class: Type of Equipment:
- Oil
- Gas
- Storage
- Disposal
- Gas/Water
- Geothermal
- Gas/Other
- Water/Other

If OWNED: old well information as follows:
Operator: 
Well Name: 
Original Completion Date: 
Original Total Depth:
Directional: Deviated or Horizontal with what:
- Yes
- No

Bottom Hole Location:
KCC DRK #: 

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 fractioning on the top; in any case, surface pipe shall be set through all 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 cemented;
6. If an alternate completion, production pipe shall be cemented from below any usable water to a distance of 120 days of spud date.

Or pursuant to Appendix 8-B, Eastern Kansas surface casing rule 133,991-C, which applies to the KCC District 3 area, alternate casing 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 correct to the best of my knowledge and belief.

Date: May 10, 2005

Signature of Operator or Agent:

Title: Geologist

For KCC Use ONLY
API #: 15 - 007-22900000
Conductor pipe required: None feet
Minimum surface pipe required: 200 feet per A/P
Approved by: RPS-17.05
This authorization expires: 11/17/05

Remember to:
- File drilling report (Form CDP-7) with Intent to Drill;
- File completion form KAC-1 within 120 days of spud date;
- File aerial survey plot according to field precision centers;
- Notify appropriate district office 60 hours prior to workover or re-entry;
- Submit plugging report (GP-7) 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

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

MAY 11 2005
KCC WICHITA

RECEIVED

Title: Geologist

Mail to: KCC - Conservation Division, 130 S. Market - Room 207A, 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 privately 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.

APR No. 15 -
Operator: Picked Drilling Company, Inc.
Lease: Champ-Rose
Well Number: 2
Field: Share NW

Number of Acres attributable to well: SE, SE, NE

Location of Well: County: Barber
Location from S Line of Section: 2310 feet
Location from W Line of Section: 350 feet
Sec.: 3
Twp.: 32S
R. 10E

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.)

NOTE: In all cases locate the spot of the proposed drilling location.

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MAY 11 2005
KCC WICHITA

EXAMPLE

SEWARD CO.
May 17, 2005

Mr. Larry Richardson
Pickrell Drilling Company, Inc.
100 S. Main 926 505
Wichita, KS 67202

Re: Drilling Pit Application
Champ-Rowe Lease Well No. 2
NE/4 Sec. 03-32S-10W
Barber County, Kansas

Dear Mr. Richardson:

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,

[Signature]
Kathy Haynes
Environmental Protection and Remediation Department

Cc: S Durrant

Information Division, Kansas State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3002
Voice 316.268.6200 Fax 316.268.6211 www.ks.gov