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

Form C-1
September 1993
Form must beTyped
All blanks must be Filled

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

OPERATOR: Licensed, 5214

Name: 301 South Market

City/State/Zip: Wichita, KS 67202

Contact Person: Jay G. Schweikert

Phone: 316-556-5111

CONTRACTOR: Licensee, 30006

Name: Muffin Drilling Co., Inc.

Well Drilled For: Gas

Well Class: Oil

Type Equipment: Mud Rotary

Gas Storage: Pool Ext.

GWDO: Disposal: Vertical

Saracens: # of Wells: Other:

ONWW: Old well information as follows:

Operator: Yes/No

Well Name: Original Completion Date:

Directional Drilled or Horizontal well?: Yes/No

Horizontal/Vertical Depth:

Chamber Hole Location:

KCC DKT #: 5-11-206 (5-11-206-22-22-22)

WELL LOCATION EXCEPTION GRANTED

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, 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 grouting cement to the top; in all cases surface pipe shall be set through all uncontrollable materials plus a minimum of 20 feet into the underlying formation;

4. If the well is an 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 in;

6. If an ALTERNATE II COMPLETION, production pipe shall be certified from below any usable water to surface within 180 days of spud date; in all cases, NOTIFY district office prior to any completing.

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

Date: 3/21/05

Signature of Operator or Agent: Jay G. Schweikert

Operations Engineer

For KCC Use ONLY

API 15 - 051.2 .57/8 00.00

Conductor pipe received: 200 feet

Minimum surface pipe required: 200 feet per Alt. + 0

Approved by: 3/21/05

This authorization expires: 3/21/05

(Signature of Agent) 4

Spud date: 4

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

RECEIVED:

2/12/2005

KCC WICHITA
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: Larlo Oil & Gas Company
Lease: Walters A
Well Number: 2
Field: Bernis-Shults
Number of Acres attributable to well: 40
QTR / QTR / QTR of acreage: NE, SW

Location of Well: County: Ellis
2050 feet from Section 1, 1000 feet from Section 1, 2000 feet from Section 1, 2500 feet from Section 1
Sec. 02, 12, 19
East 10 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.)

Section line.

EXAMPLE

SEWARD CO.

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 oil wells; CG-8 for gas wells).