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:

Effective Date:

DOA? Yes

Date:

KCC 01

December 2002

Form must be Typed

All blanks must be filled

JULY 15 2005

Expected Spud Date: 0639 (6-30-06)

OPERATOR: L.D. DRILLING, INC.

Address: 3726 26 Ave.

City/State/Zip: IOWA CITY, IA 52240

Contact Name: ROBERT L DRAZ

Phone: 319-362-5365

CONTRACTOR: L.D. DRILLING, INC.

Name: 6039 (6-30-06)

Well Drilled For:

Well Info: Type Equipment

Disk Storage Pump Ext. Mud Rotary Air Rotary Other

If OWNED: no well information as follows:

Owner Name: P.K.

Original Completion Date: Original Total Depth: Directional, Deviated or Horizontal well? Yes No

If true vertical depth:

Bottom Hole Location: KCC DRK #:

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual pluging of this well will comply with K.S.A. 55 at 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 of the rig; in all cases surface pipes 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. If the appropriate district office will notify 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 "F" - Eastern Kansas surface casing order #14589,1-C, which applies to the KCC District 3 area, alterate 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 are true and to the best of my knowledge and belief.

Date: 06-08-05

Signature of Operator or Agent: EDDIE COSS

Title: SED TREAS

Mail to: KCC - Conservation Division, 130 S. Market - Room 2517, Wichita, Kansas 67202

Formally:

For KCC Use ONLY

APR 15 - 3-7-2114-50-00-00

Conductor pipe required: 8,600 feet

Minimum surface pipe required: 300 feet per 1000 ft. of 10.4 ft. of 10.4

Approved by 04-27-05

This authorization expires: 3-13-05

(The authorization will end if not started within 6 months of effective date)

Spud date: Agent:

Remember to:

Owner's P&O Application (form KCC-1) with intent to drill;

File Completion Form KCC-1 within 120 days of spud date;

Notify appropriate district office 48 hours prior to bottom or re-entry; submit plugging report (CP-4)( if plugged is completed; obtain written approval before disposing or injecting salt water.

If this permit has expired (pier is authorized expiration date) please check the box below and return to the address below.

Well Data Utilized - Permit Expired Signature of Operator or Agent:

Date:

Mail to: KCC - Conservation Division, 130 S. Market - Room 2517, Wichita, Kansas 67202

RECEIVED

JUN 23 2005

KCC WICHITA
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

PLOT 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 plot 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: L.D. DRILLING, INC.
Lease: __________________________
Well Number: 9
Field: BLOOMER

Location of Well: County: ELLSWORTH

<table>
<thead>
<tr>
<th>1050</th>
<th>feet from N / X</th>
<th>Line of Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>1048</td>
<td>feet from X / E</td>
<td>Line of Section</td>
</tr>
</tbody>
</table>

Sec. 30  Twp. 17  R. 10  East 1/2 West

If Section is: Regular or Irregular

Number of Acres attributable to well: 10

QTR / QTR / QTR of acreage: SE

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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JUN 23 2005
KCC WICHITA

EXAMPLE

SEWARD CO.

In plotting the proposed location of the well, you must show:
1. The manner in which you are using the described 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: (CO-7 for oil wells, CO-8 for gas wells).