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: August 2004

OPERATOR: License#: 32322
Name: DENIS F. ROBERTS
Address: P.O. Box 1252
Hays, KS 67601
Phone: (785) 625-8526

CONTRACTOR: License#: 31548
Name: Discovery Drilling

Spot: 80'S & 90'E of CE/2 E/2 NW Sec. 11 Twp. 7 S. R. 21W X

Is SECTION Regular Irregular? X

Target Information(s): LKC & Arbuckle
Nearest Lease or unit boundary: 240' Unit

Formation at Total Depth: Arbuluke

Well: Farm Pond Other
DWR Permit #: (Note: Apply for Permit with DWR)

Will Cores be taken? Yes X No

If Yes, proposed zone:

Affidavit

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 circulating cement to the top; in all cases surface pipe shall be set through 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 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.

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

Date: July 6, 2004 Signature of Operator or Agent: AGENT

Remember to:
- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) 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:

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202
AGREEMENT, made and entered into March 1st, 2004

Teresa B. Benoit and Jerome Benoit, Trustees of the Teresa B. Benoit Trust No. 1, and

under agreement dated November 1, 1979 and Jerome Benoit and Teresa B. Benoit

Trustees of the Jerome Benoit Trust No. 1 under Trust agreement dated November 1, 1979.

Terese B. Benoit

North Half of Section 11 Township 7 Range 21W.

South East Quarter Section 11 Township 7 Range 21W.

North Half of North East Quarter Section 11 Township 7 Range 21W.

is it agreed that the lease shall remain in full force for a term of

20 years from this date and as long thereafter as oil or gas,

or either of them, is produced from said land by the Lessee, or the premises are being developed or operated.

In consideration of the covenants the said lessee covenants and agrees

The Lessee will receive 5% of the drilling costs and will pay completion costs.

if and as long thereafter as oil or gas, or either of them, is produced from said land by the Lessee, or the premises are being developed or operated.

The Lessee will receive 5% of the drilling costs and will pay completion costs.
A AGREEMENT, made and entered into, on the 1st day of March, 1979,
by and between
Teresa B. Benoit, and Jerome Benoit, Trustees of the Teresa B. Benoit Trust No. 1, A.T.
and Jerome Benoit, Trustees of the Jerome Benoit Trust No. 1 under Trust agreement dated November 1, 1979.

WHEREAS, the land hereinafter called the Lessee’s land (hereinafter referred to as “the land”) is located in the Town of Graham, County of Sumner, State of Kansas;

NOW, THEREFORE, in consideration of the premises stated in this Agreement, the Parties hereto agree as follows:

1. Description of the Leased Property:
The land comprises approximately 50 acres, located in Section 11, Township 3 North, Range 1 West, Sumner County, Kansas. The land is zoned for agricultural use.

2. Lease Term:
The lease term shall commence on January 1, 1979, and shall continue until December 31, 1979, unless extended by mutual agreement in writing. The lease may be renewed for additional terms of one year upon written request by the Lessee, unless the Lessor gives written notice of refusal to renew at least 90 days prior to the expiration date.

3. Rent:
The Lessee shall pay to the Lessor, for the use and occupation of the aforesaid land, the sum of $500.00 per year, payable in advance on or before the first day of each year. The rent shall be payable in cash, and no part thereof shall be deducted for taxes, insurance, or any other charges.

4. Use of the Property:
The Lessee shall have the right to use and occupy the land for the purpose of agricultural activities, including, but not limited to, the planting and cultivation of crops, the grazing of livestock, and the harvesting of hay. The Lessee shall maintain the land in a reasonably good condition, and shall abandon the land at the end of the lease term.

5. Amendments to the Agreement:
This Agreement may be amended, modified, or supplemented by written agreement of the Lessor and Lessee, signed by both parties.

6. Governing Law:
This Agreement shall be governed by the laws of the State of Kansas, without regard to its principles of conflicts of law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

[Signature]
Teresa B. Benoit

[Signature]
Jerome Benoit

[Signature]
Denis Roberts

Dennis Roberts Oil

Form 85—(10 Producers)

OIL AND GAS LEASE

Record No.

09-131

KANSAS BLUE PRINT CO. INC.

NOTICE TO LESSEE:

This lease is subject to all state laws and regulations governing the lease of mineral rights. The Lessee is hereby advised to consult with an attorney or mineral rights expert before taking any actions on the property.

RECEIVED

AUG 3 1979

Jann Johnson

[Signature]

OCT 3 1979

[Signature]

KCC WICHITA