NOTICE OF INTENT TO DRILL

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

KANSAS CORPORATION COMMISSION

OIL & GAS CONSERVATION DIVISION

7/18/05

7/20/2005

EXPENSE Spud Date

MONTH

DAY

YEAR

OPERATOR

Lic# 330084

NAME

Ernest B. Newman

Address

6400 SW 111th St

City/County/State

Overland Park/Johnson/KS

Phone

913-293-1790

CONTRACTOR

Lic# 330845

NAME

Abbe-template, Ltd.

Well Drilled For

WELL CLAR

Equipment

Multi Filling

Drill Bit

Mast

Tubing Hoist

General Purpose

Disposal

Rig Tires

Other

Owner

Chase Oilfield, Inc.

Operator

Ernest B. Newman

Address

6400 SW 111th St

City/County/State

Overland Park/Johnson/KS

Date

7/13/05

OCCIDENTAL Pud-34X APPROVAL

The undersigned hereby affirms that the drilling, operation and eventual plugging of this well will comply with K.S.A. 55-24, et seq.

It is agreed that the following minimum requirements will be met:

1. The appropriate帝王 county office prior to drilling of each 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 to be included shall be posted by circulating the top of the well; in all cases the surface pipe shall be set through all unconfined aquifers and at a minimum of 30 feet into the underlying formation;

4. If the well is dry hole, an agreement between the operator and the district office on plug weight and placement must be necessary for plug; drilling;

5. The appropriate agency office will be notified prior to well drilling, or production is in commencement;

6. If an alternating zone of contamination, production pipe shall be converted from below the surface to surface within 120 days of spud date.

7. Permit is in Appendix B east Kansas surface casing with 133×80, which applies to the KCC District 3 area, whereas it casing must be completed within 30 days of the rigid date or the well shall be plugged.

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

Date

7/19/2005

Signature of Operator or Agent

Floyd Agnew

Mail to:

KCC - Conservation Division, 170 S. Market - Room 205, Wichita, Kansas 67209

Remarks:

Signed by Operator or Agent

Mail: O:\ printer\Application Forms (C:\) with copies to:

Files Completion Form (ACF) within 120 days of spud date. This average elevation point according to low elevation, intake: appropriate agency office gives 48 hours post to withdraw property;

Submit plugging report (CP-10) after plug-in is completed; Obtain written agreement before drilling or; selecting well.

If you cannot sign please check the box below and return the address below.

Well NOT Drilled; Permission Expired

Resignation of Operator or Agent

Date

2/23/32
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 to be 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 part below showing that the well will be properly located in relationship to other wells produced 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. 16
Operator: State Exploration, Inc.
Lease: Name
Well Number: 3
Field: Unnamed

Number of Acres attributable to well:
QTR / QTR / QTR of acreage: 00, 00, UNM

Location of Well
County
1320
Location
1310
Location
West from NE / S Line of Section
West from NE / W Line of Section
Sec. 29
Twp 29
S. to

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 location to the nearest lease or unit boundary line)

EXAMPLE

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

Inploting the proposed location of the well, you must show:
1. The manner in which you are using the prorated or spaced acreage attribution line, 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 line and east line.
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. (OS-7 for oil wells, OS-8 for gas wells.)