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:
District #:
SSA?: Yes No

Expected Spud Date:
August 1, 2005

OPERATOR:
Licensee:
Name:
Kansas Production EQP, LLC
Address:
15425 North Freeway
City/State/Zip:
Houston, Texas 77090
Contact:
Jeff Gormley
Phone:
281/875-6200

CONTRACTOR:
Licensee:
Name:
MOKAT Drilling

Well Drilled For:
Type:
Oil
Gas
Other

Well Class:

Field:
Wayside-Havana

Nearest Lease or unit boundary:

Surface Elevation:
817'

Water Well within one-quarter mile:

Public water supply well within one mile:

Height from bottom of fresh water:
150'

Depth to bottom of usable water:

Surface Pipe by Alternate:

Length of Surface Pipe Planned to be set:

Length of Conductor Pipe required:

Formation at Total Depth:
Mississippi

Water Source for Drilling Operations:

Will Cores be taken:

DWR Permit #: 

If Yes, proposed zone:

CONSERVATION DIVISION
WICHITA KS

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 all wells.
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 all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is a 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 or pursuant to Appendix "B" - Eastern Kansas Surface casing order #133.891(C), which applies to the KCC District 3 area. Alternate 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:
July 22, 2005

Signature of Operator or Agent:

Title:
Operators Manager

Remember to:

- File Drill Pit Application (form CDP-1) with Intent to Drill.
- File Completion Form ACC-1 within 120 days of spud date.
- File screen attrition plot according to field perforation 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 No Drilled - Permit Expired

Signature of Operator or Agent:

Date:

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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 - Location of Well: County: Montgomery
Operator: Kansas Production EQR, LLC
Lessee: Kreger
Well Number: J-25
Field: Wapakoneta-Havana

Number of Acres attributable to well: 160
QTR / QTR / QTR of acreage: NW / SW / NW

<table>
<thead>
<tr>
<th>Location of Well</th>
<th>County</th>
</tr>
</thead>
<tbody>
<tr>
<td>1595</td>
<td>Montgomery</td>
</tr>
</tbody>
</table>

feet from
N 130
E 310
S 25
W 34

Sec: 25
Top: 34
R: 14

Line of Section
E
W

Line of Section
S
N

Location: Regular or Irregular

If Section is Irregular, locate well from nearest corner boundary. Section corner used:

[ ] NE [ ] NW [ ] SE [ ] SW

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

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.)

RECEIVED
KANSAS CORPORATION COMMISSION
JUL 29 2005
CONSERVATION DIVISION
WICHITA, KS

EXAMPLE

SHERMAN 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 north / 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;