NOTICE OF INTENT TO DRILL

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

KANSAS CORPORATION COMMISSION
OIL & GAS COMMISSION

OPERATOR: Licenses:
Name: Pickard Drilling Company Inc.
Address: 100 S. Main, Suite 505
City/State/Zip: Wichita, Kansas 67202-3738
Contact Person: Larry J. Richardson
Phone: 316-262-8427

CONTRACTOR: Licenses:
Name: Company: Tools

Well Drilled For: [ ] Oil [ ] Gas [ ] Storage
[ ] Err Rec [ ] Intake [ ] Plus Ext
[ ] Mud Rotary [ ] Air Rotary
[ ] Surplus [ ] Overflow [ ] Cable
[ ] Open [ ] Sealed [ ] Other

If OWWC: old well information as follows:
Operator:
Well Name:
Original Completion Date:
Original Total Depth:
Directional, Deviated or Horizontal:
Yes [ ] No [ ]
If Yes, true vertical depth:
Bottom Hole Location:

KCC #:

JUL 2 2 0 0 5

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 cementing 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 suspect or identified surface within 120 days of spud date.

Refer to Appendix "B", Eastern Kansas surface casing loop, for 132,891-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 suspended. In all areas, NOTIFY district office prior to any cementing.

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

Date: 7-2-05

Signature of Operator or Agent: Geologist

Remember to:
- File Drill # Application (form CDC-2) with Intent to Drill;
- Complete Form KCC-1 within 120 days of spud date;
- File average allocation plat according to field location office;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (form P-1) 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 the address below:
[ ] Well Not Drilled - Permit Expired

Signature of Operator or Agent:

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

(No letterhead)

Mail to: KCC - Conservation Division, 130 S. Market - Room 207B, Wichita, Kansas 67202
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 size 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. Plot all the wells and within 1 mile of the boundaries of the platted 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: Picke Drilling Company Inc.
Lease: Miller "A"
Well Number: 1
Field: Schaben South
Number of Acres attributable to well: GTR / GTR / GTR of acreage: SW SE NW

Location of Well: County: Nest
2310 feet from Line of Section
1650 feet from Line of Section
Sec. 18 Twp 20 S Rd 21

Is Section: Regular or Irregular
If Section is Irregular, locate well from nearest corner boundary.
Section corner used: NE NW SE SW

Example: 1980 10 2390

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

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 the proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: CG-7 for oil wells; CG-8 for gas wells.