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 Only

API # 15 - 047-21506-00-00
Conductor pipe required 280 feet Minimum surface pipe required 80 feet per All
Approved by: RSP-78-05
This authorization expires 05-06-08
(This authorization void if drilling not started within 6 months of effective date)
Spud date: Agent

For KGCC Use Only

Expected Spud Date July 28, 2005

OPERATOR: Licensed 5003
Name: McCoy Petroleum Corporation
Address: PO Box 1500, Wichita, Kansas 67206
Contact Person: Scott HampeIII
Phone: 316-266-2765

CONTRACTOR: Licensed 6039
Name: L.D. Drilling

Status: Regular

Well Completion Data:

WELL: Williams A

Nearest Lease line boundary: 330'

WGS Ground Surface Elev: 2200'

Water well within 1/4 mile: No

Depth to public supply well within 1 mile: No

Depth to public supply well within 3 miles: No

Success to bottom of usable water: 2400'

Surface Pipe by Alternate: X

Length of Surface Pipe Planned to be 3200'

Length of Conductor Pipe required: None

Projected Total Depth: 4800'

Producing Formation Target: Mississippian

Water Source for Drilling Operations: Farm Pond

DWS Permit #:

(Not: Apply for Permit with DWS)

Will Cert be taken?

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. 55-101, 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 all unconsolidated materials plus a minimum of 20 feet into the underlaid 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 abandonment casing is cemented in;
6. If an alternative 11 completion, production pipe shall be cemented from below any usable water to surface within 120 days of spud date. 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 14, 2005
Signature of Operator or Agent

Remember to: - File DWP Application (form CDP-1) with Intent to Drill; - File Completion Form ACD-1 within 120 days of spud date; - File acreage allocation plan according to field proportion owners; - Notify appropriate district office 48 hours prior to workover or re-entry; - Submit plugging avoid (CP-4) after plugging is completed; - Obtain written approval before disposing or injecting salt water.
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 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:
Operator: McCoy Petroleum Corporation

Lease: WILLIAMS “A”
Well Number: 1-2

Field:

Number of Acres attributable to well:
GTR / QTR / GTR of acreage:

SW - SW - SE

Location of Well:
County:__________________________

feet from line of Section
330’

Section:__________

East X

West

If Section is irregular, locate well from nearest section boundary.
Section corner used: ______

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

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, e.g. 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).
July 18, 2005

Mr. Scott Hampel
McCoy Petroleum Corporation
8080 E. Central Ste 300
Wichita, KS 67206

RE: Drilling Pit Application
Williams A Lease Well No. 1-2
SE/4 Sec. 02-26S-19W
Edwards County, Kansas

Dear Mr. Hampel:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed without slots, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again as soon as practical after drilling operations have ceased.

If production casing is set all completion fluids shall be removed on a daily basis.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 when the fluids have been removed. Please file form CDP-5, Exploration and Production Waster Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,

[Signature]
Kathy Haynes
Environmental Protection and Remediation Department

cc: S Durrant

Conservation Division, Finney State Office Building, 130 S. Market, Room 2070, Wichita, KS 67202-8802
Voice 316.337.6200  Fax 316.337.6211  www.kcc.state.ks.us