NOTICE OF INTENT TO DRILL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

RECEIVED
SEP 6, 2005
KCC WICHITA

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

Date: 9-12-05

For KCC Use Only:
AP: 15 - 167 - 230.3 - 0.000

Conductor pipe required: N O N S feet
Minimum surface pipe required: 200 feet set Ab

For KCC Use Only: 139.7 - 0.05

Appraiser: &

This authorization expires: 01.12.06

The authorization void if drilling not started within 6 months of effective date.

Spud date: 01

Affidavit

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

1. That the appropriate district office prior to spudding of well;
2. A copy of the approved notice of intent to drill shall be placed on each drilling rig;
3. The minimum amount of service pipe shall be set by circulating cement to the top of the casing. In all cases surface pipe shall be set through all uncased portions or casing. The amount of service pipe shall be at least 20 feet into the underlying formation;
4. If the well is dry hole, an agreement between the operator and the district office on the plug length and placement is necessary prior to plugging;
5. The appropriate district office will be notified before well is either drilled or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from the bottom oil surface to within 120 days of spud date. On completion of the well, production shall be allowed to operate until 120 days after spudding of the well. All permits issued in connection with this well shall be completed within 30 days of the spud date of 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: 9-12-05

Signature of Operator or Agent: April

R E M A N D

Mail to: KCC - Conservation Division, 130 S. Market - Room 2074, Topeka, Kansas 66602
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

If the intended well is in a patented or spaced field, please fully complete this side of the form. If the intended well is in a NON-PROPRIOR or NON-PROPRIOR field complete the plat below showing that the well will be produced 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 block(s) for gas wells and within 1/2 mile of the boundaries of the proposed acreage block(s) for oil wells.

API No. 15: ____________________
Operator: ____________________
Lessee: ________________
Well Number: ________________
Date: ________________
Number of Acres attributable to well:

Location of Well
County: RUSSELL
Section: 15
Township: 12
Range: 12

Is Section Regular or Irregular?
Adjacent wells to nearest corner boundary:
Section corner used: NE, NW, SW, SE

PLAT

(Show location of the well and those attributable acreage for patented or spaced field.)

(Show footage to the nearest lease or unit boundary line.)

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 proposed plat by identifying section lines, e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the sections south / north and east / west.
3. The distance to the nearest lease or unit boundary line
4. If proposed location is located within a patented or spaced field a certificate or acreage limitation plat must be attached (C&G for oil wells, C&G-B for gas wells).

Example: 3290'

1000'
September 7, 2005

Mr. Allen Bangert
Mai Oil Operations, Inc.
PO Box 33
Russell, KS 67665

RE: Drilling Pit Application
Haberer Lease Well No. 1-15
SE1/4 Sec. 15-12S-19W
Russell County, Kansas

Dear Mr. Bangert:

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 practical after drilling operations have ceased. Please keep all pits away from any draws.

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 (785) 625-0550 when the fluids have been removed. Please file form CDP-5, Exploration and Production Waste 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: H Deines