NOTICE OF INTENT TO DRILL

KCC WICHITA

NOTICE OF INTENT TO DRILL

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

SEP 21 2005

For KCC Use

10-1-05

KANSAS CORPORATION COMMISSION

OIL & GAS CONSERVATION DIVISION

Copy of this form must be filed with the clerk of district court in which the tract is located. All applications must be filed with the County Clerk of the county in which the tract is located.

Operator: F.G. Hall Company, L.L.C.
Address: 9431 E. Centri, Suite #100
City/State/Zip: Wichita, Kansas 67206-2543
Contact Person: Franklin R. Greenbaum
Phone: (316) 682-2831

CONTRACTOR: Duke Drilling Company, Inc. #8
Name: Sharcker
License: 929
Address: 215 E. 6th St., Wichita, Kansas 67202

Operational Date: September 29, 2005

Expected Spud Date: September 29, 2005

Operator License: 5056

Field Name: Edwards
Lease Name: Sharcker

Field Name: Edwards

Target Information:

- Nearest Lea: 2-28
- Nearest well: 500
- Water well: 500
- Depth to bottom of fresh water: 300
- Depth to bottom of usable water: 300
- Length of Surface Pipe Planned to be set: 300
- Length of Conductor Pipe required: None
- Proposed Total Depth: 4650
- Formation at Total Depth: Arbuckle

For KCC Use ONLY

API 15 - 047.21514 - 00.06
Conductor pipe required: None
Minimum surface pipe required: 200 feet

This authority expires: 31-06

Mail to: KCC - Conservation Division, 30 S. Market - Room 208, Wichita, Kansas 67202

Mail for District - Permit Expired

Signature of Operator or Agent:

 exploration Manager

Title:

Date: 09/20/2005

For KCC Use ONLY

API # 15 - 047.21514 - 00.06
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IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW
Plot 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: F.G. Holt Company, L.L.C.
Lease: ZUERCHER
Well Number: 2-28
Field: Embry Oil
Number of Acres attributable to well: QTR / QTR / QTR
Location of Well: County:
1790 feet from N / E / S Line of Section
950 feet from N / E / W Line of Section
Sec: 28 Twp: 24 S. R: 16

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 boundary to the nearest lease or unit boundary line.)

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: CD-7 for oil wells; CD-8 for gas wells.)
September 26, 2005

Mr. Franklin Greenbaum
F.G. Holl Company, LLC
9431 E. Central, Ste 100
Wichita, KS 67206-2543

RE: Drilling Pit Application
Zuercher Lease Well No. 2-28
NE4 Sec. 28-24S-16W
Edwards County, Kansas

Dear Mr. Greenbaum:

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 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,

Kathy Haynes
Environmental Protection and Remediation Department

cc: S Durrant

Conservation Division, Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802
Voice 316.337.6200  Fax 316.337.6211  www.kcc.state.ks.us