RECEIVED
OCT 12 2005
KCC WICHTA

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL
Must be approved by KCC (5) days prior to commence well

OPERATOR: Location: 5259
Name: Midwest Oil Operations, Inc.
Address: R. R. No. 1, Richland, KS 66765
Dietary Permission: 785-483-2169

CONTRACTOR: License No: 39066
Name: Muirin Drilling Co., Inc.

Well Drilled For:
- [ ] Oil [ ] Gas [ ] Combination [ ] Undrilled [ ] Surface [ ] Water [ ] Other
- [ ] Oil [ ] Gas [ ] Surface [ ] Water [ ] Other

Type of Equipment:
- [ ] Oil [ ] Gas [ ] Water [ ] Combination [ ] Undrilled
- [ ] Oil [ ] Gas [ ] Water [ ] Combination [ ] Undrilled

Well Class:
- [ ] Intact [ ] Mud Pile [ ] Mud Containment [ ] Capped
- [ ] Intact [ ] Mud Pile [ ] Mud Containment [ ] Capped

Original Completion Date: 01/01/2000

Directional, Deviated or Horizontal well?
- Yes [ ] No [ ]

If yes, true vertical depth:
- [ ] Yes [ ] No

Bottom Hole Location:
- [ ] Yes [ ] No

SPOT
- [ ] East
- [ ] West

SFC
- [ ] North
- [ ] South

Distance
- [ ] North
- [ ] South

Feet
- [ ] East
- [ ] West

ALTITUDE
- [ ] North
- [ ] South

Line of Section
- [ ] North
- [ ] South

Is SECTION Regular? [ ] Irregular?

County, Township
- [ ] Yes [ ] No

Lease Name:
- [ ] Yes [ ] No

Nearest Lease or Unit boundary:
- [ ] Yes [ ] No

Ground Water Elevation:
- [ ] Yes [ ] No

Water well within one-tenth mile:
- [ ] Yes [ ] No

Public water supply well within one mile:
- [ ] Yes [ ] No

Depth to bottom of fresh water:
- [ ] Yes [ ] No

Surface Pond or Reservoir:
- [ ] Yes [ ] No

Well Drilled For:
- [ ] Oil [ ] Gas [ ] Combination [ ] Undrilled [ ] Surface [ ] Water [ ] Other

Well Class:
- [ ] Oil [ ] Gas [ ] Surface [ ] Water [ ] Other

Type of Equipment:
- [ ] Oil [ ] Gas [ ] Water [ ] Combination [ ] Undrilled
- [ ] Oil [ ] Gas [ ] Water [ ] Combination [ ] Undrilled

Well Name:
- [ ] Yes [ ] No

Original Completion Date: 01/01/2000

Directional, Deviated or Horizontal well?
- Yes [ ] No [ ]

If yes, true vertical depth:
- [ ] Yes [ ] No

Bottom Hole Location:
- [ ] Yes [ ] No

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 starting of well;
2. A copy of the approved notice of intent or shall be posted on each drilling rig;
3. The minimum amount of surface pipe shall be specified below and surface shall be cut as required. In unconsolidated materials, pipe a minimum of 20 feet into the underlying formation;
4. If the well is dry hole, an affidavit 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 ceased, to be conserved.
6. If an ALTERNATE 2 COMPLETION, production shall be converted from below any usable water to surface within 120 days of spud date.

Or pursuant to Appendix "9" - Eastern Kansas surface casing meter #103.891, which applies to the KCC District 5 area, alternate 2 casing shall be completed within 30 days of the spud date or the well shall be plugged. All areas, NOT IFY district office prior to any capping.

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

Date: 10-15-05
Signature of Operator or Agent:

Remember to:
- File Oil Drilling Application from COP-1 written to ODE
- File Completion Form KCC-4 within 120 days of spud date
- File appropriate application or work is workover or re-entry, plugging report (PC-4) after plugging is completed
- Obtain written approval before drilling 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 Not Drilled - Permit Expired
Signature of Operator or Agent:
Date:

Mail to: KCC - Conservation Division, 130 S. Market - Room 219B, Wichita, Kansas 67202

RECEIVED
OCT 17 2005
KCC WICHTA

For KCC Use Only
AP: 1
Conductor pipe required: None
Minimum surface pipe required: 700 feet per acre
Approved by: $419.00
This authorization expires (This authorization void if drilling not started within 6 months of approval): 12/31/2005
Approval date: 10-17-05
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 identify 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: Max Oil Operations, Inc.
Lease: Eclectic
Well Number: 1-3
Field: Wildcat
Number of Acres attributable to well: QTR / QTR / QTR of acreage: SE NW SW

Location of Well: County: Russell

14700 feet from N / S Line of Section
60 feet from E / W Line of Section
Sec. 3, Twp. 12, S. R. 15
East West
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 acres for prorated or spaced wells.)
(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 dwl/fin plot 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 proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached. (CC-7 for oil wells CC-8 for gas wells.)
October 18, 2005

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

RE: Drilling Pit Application
Eulert Lease Well No. 1-3
SW/4 Sec. 03-12S-15W
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) 625-1550 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 website: 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

Conservation Division, Finney State Office Building, 130 S. Market, Room 2076, Wichita, KS 67202-3802
Voice 316.337.6200 Fax 316.337.6211 www.kcc.state.ks.us