NOTICE OF INTENT TO DRILL

For KCC User: 12-19-05

Matt in approved (5) days prior to commencing east

Effective Date:

Quarter: # 3

Yes No

Expected Spud Date

North Day Year

OPERATOR: License: # 5278

Name: KCC Resources, Inc.

Address: 3061 NW Expressway, Suite 500

City/County/Zip: Oklahoma City, Oklahoma 73112

Contact Person: Sheila Taped

Phone: 405-246-9336

CONTRACTOR: License: # 30684

Name: Northwest Drilling Co., INC.

Well Number: Well Count: Type Equipment:

Oil Gas Water Storage Other

Elevated Rotary Wildcat Cable

Sawmill: # of Holes

Other

Oilfield: Old Well Information As Follows:

Well Name: Original Completion Date: Original Total Depth:

Directional, Deviated or Horizontal well?

Yes No

Eyes True Vertical Depth:

Bottom Hole Location:

KCC#:

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-38, 55-39, and 55-40. 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 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 1 COMPLETION, production pipe shall be cemented from below any usable water surface to surface within 120 days of spud date. Or pursuant to Appendix "B" Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate 1 cementing must 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: 12-19-05

Signature of Operator or Agent: Sheila Taped

Title: Eng Tech

Form C-1

December 2002

Form must be Typed

Form must be Signed

All blanks must be filled

Mail to: KCC - Conservation Division, 130 S. Market, Room 207A, 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 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 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. 75:
Operator: KOG Exploration, Inc.
Lease: Analeys, Inc.
Well Number: 5 81
Field: __________________________
Number of Acreage attributable to well: __________________________
CITRONTRTR of acreage: S/2 - S/2 - 81

Location of Well: County: __________________________
Section: __________________________
Township: __________________________
Range: __________________________
West

If Section is irregular, locate well from nearest corner boundary. Section corner used: NE NW 56 SW

PLAT
(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show footlages to nearest lease or unit boundary line)

EXAMPLE

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 southnorth and eastwest; and 3.
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-5 for gas wells).
NOTICE TO OPERATORS DRILLING IN THE PANOMA:
COUNCIL GROVE GAS POOL SPACED AREA

The enclosed intent is located within the Panoma-Council Grove gas pool spaced area. In May 1978, Panoma-Council Grove Prioritization Order (as amended), Docket No. 60,024-C (C-7058) under FINDINGS OF FACT AND LAW on page 31, the following language is stated that:

"The Commission finds that in order to prevent waste and protect correlative rights, the following stated rules pertaining to wells already completed, in the process of being drilled or for future wells to be drilled in the Panoma Council Grove Gas Pool Spaced area, and for wells producing from the Council Grove Formation outside of the Panoma Council Grove Gas Pool Spaced area within the Hugoton Gas Field, should be adopted."

1. "No oil completions between the Chase (Hugoton) and Council Grove Formations will be permitted for future wells drilled."

2. "Casing shall not be set above the top of the Council Grove Formation for a Council Grove producing well."

3. "The production casing of all new Council Grove wells should be cemented with a calculated volume of cement sufficient to exceed the casing from the bottom of the casing to a point 500 feet above the Chase Formation."

4. "The casing shall be encased in cement in the interval between the base of the Council Grove and the top of the Chase Formation on all wells, irrespective of depth, completed below the Council Grove Formation, if they are located within the spaced area."

5. "The cement coverage requirements required shall be confirmed by the running of a recognized survey, such as a geoprobe survey or cement bond log."

A copy of this survey, and the cement ticket(s) showing that all cement work has been completed, must be filed with the ACO-1 Completion Report within 120 days from the wells "spud date."

Failure to comply with these provisions may cause the well to be shut-in until compliance has been achieved.

If you have any questions, please feel free to contact the Conservation Division’s Production Department at (316) 257-6200.