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:

Effective Date: 2-22-06

District #: I

SGA#: Yes/No

Expected Spud Date: February 27, 2006

OPERATOR: Muffie Drilling Company, Inc.

Name: Muffie Drilling Company, Inc.
Address: 250 N. Water, Suite 300
City/State/Zip: Wichita, KS 67202
Contact Person: Dave Detay
Phone: 316-297-3241

CONTRACTOR: Benenate Drilling Company, Inc.

Name: Benenate Drilling Company, Inc.

Well Field For: Oil

Well Class: Enh Rec

Type of Equipment:

Oil

Enh Rec

Infield

Mud Rotary

Gas

Storage

Pool Ext.

Air Rotary

OWO

Disposal

Wastewater

Seismic

...# of Holes

Other

If OWO: old well information as follows:

Operator:

Well Name:

Original Completion Date:

Original Total Depth:

Directional, Deviated or Horizontal well:

Yes/No

True Vertical Depth:

KCC DKT #

FEB 14 2006

CONSERVATION DIVISION
WICHITA, KS

AFFIDAVIT

The undersigned hereby affirms that the total completion and eventual plugging of this well will comply with K.S.A. 55 at 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 or each drilling rig.
3. The minimum amount of surface pipe as specified below shall be set by constricting cement to the top; in all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet to the underlying 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 production casing is cemented in.
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water 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 II cementing must be completed within 30 days of the spud date or 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: 2/13/06

Signature of Operator or Agent:

Remember to:

• File Drill Pit Application form CDP-1 with Intent to Drill.
• File Completion Form ADD-C within 120 days of spud date.
• File acreage distribution plot according to field position orders.
• Notify appropriate district office 48 hours prior to workover or re-entry.
• Submit plugging report CDP-4 after plugging is completed.
• Obtain written approval before disposing of or expelling salt water.
• If this permit has expired (See: Authorized expiration date) please check the box below and address the address below.

Mail to: KCC - Conservation Division, 136 S. Market - Room 207, Wichita, Kansas 67202

For KCC Use ONLY

API #: 15

Conductor pipe required: N

Minimum surface pipe required: 300 feet per Apt

Approved by:

This authorization expires: 8-17-06

Spud date: 2-22-06

Mail to: KCC - Conservation Division, 136 S. Market - Room 207, Wichita, Kansas 67202

Date: 3-21-05

Mail to: KCC - Conservation Division, 136 S. Market - Room 207, Wichita, Kansas 67202

Signature of Operator or Agent:
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prosed or spaced field

If the intended well is in a prosed or spaced field, please fully complete this side of the form. If the intended well is in a prosed 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. Proters show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 12 mile of the boundaries of the prosed acreage attribution unit for oil wells.

API No.: 15
Operator: Muffin Drilling Company, Inc.
Lease: Realand "A"
Well Number: 1-32
Field: Wilcat
Number of Acres attributable to well: GTR / QTR / GTR of acreage: C, SE, NE

Location of Well: County: Stafford
2020
Sec 32 Twp 21 S R 13

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 indicate attributable acreage for prosed or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)

NOTE: In all cases locate the spot at 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, i.e. 1 section, 1 section with 6 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 prosed or spaced field a certificate of acreage attribution plat must be attached: (CD-7 for oil wells; CD-8 for gas wells).
February 17, 2006

Mr. David Doyel
Murfin Drilling Company, Inc.
250 N. Water Ste 300
Wichita, KS 67202

Re: Drilling Pit Application
Neeland A Lease Well No. 1-32
NE/4 Sec. 32-21S-13W
Stafford County, Kansas

Dear Mr. Doyel:

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 from the working pits daily. No completion fluids or non-exempt wastes shall be placed in the reserve pit.

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 (August 2004), 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 Hoehn
Department of Environmental Protection and Remediation

cc: Steve Durrant

Conservation Division, Finney State Office Building, 100 S. Market, Room 207B, Wichita, KS 67202-3802
Voice 316.337.6200  Fax 316.337.6274  www.kcc.state.ks.us