RECEIVED

For KCC Use

Effective Date:

Date:

State:

For KCC Use

KANSAS CORPORATION COMMISSION

NOVEMBER COMMISSION

OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

Must be approved by KCC fees (3) days prior to commencing well

Wichita, KS 67202

Contact Person: David Day

Phone: 316-267-3241

CONTRACTOR:

Name: Murfin Drilling Company, Inc.

Well Drilled For:

Well Name:

Original Completion Date:

Original Total Depth:

Directional, deviated or horizontal well?

Yes

No

Well ID Location:

KCC DKT #

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. 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 uncontrollable materials plus a minimum of 20 feet in the underlying formation.

4. If the well is a dry hole, an agreement between the operator and the district office on plug length and post-drill is necessary prior to plugging.

5. The appropriate district office shall be notified before well is either plugged or production casing is cemented in.

6. If an ALTERNATE is COMPLETION, production pipe shall be cemented below any usable water to surface within 120 days of spud date. In lieu of the above, the operator shall: submit a drilling report to the district office (form CDP-4) on completion of the well. If a drilling report is not submitted, the operator shall: present the drilling report to the district office (form CDP-4).

The undersigned hereby states that the statements made herein are true and to the best of my knowledge and belief.

Date:

Signature of Operator or Agent:

Title of Agent:

Mail to: KCC, Room 2078, Wichita, Kansas 67202

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API 1.5: 167-23336-0000

Conductor pipe required: N/A

Minimum surface pipe required: 2000 feet per Acre.

Approved by:

This authorization expires: 8-28-06

Mail to: KCC, Room 2078, Wichita, Kansas 67202

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API 1.5: 167-23336-0000

Conductor pipe required: N/A

Minimum surface pipe required: 2000 feet per Acre.

Approved by: A.K.

This authorization expires: 8-28-06

Mail to: KCC, Room 2078, 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 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.: 10
Operator: Muir's Drilling Company, Inc.
Lease: Austin
Well number: 2-27
Field: Classroom

Number of Acres attributable to well:

GTR / QTR / QTR of acreage: NE SW NE

Location of Well: County: Russell

<table>
<thead>
<tr>
<th>Location of Well:</th>
<th>County: Russell</th>
</tr>
</thead>
<tbody>
<tr>
<td>2310 feet from</td>
<td></td>
</tr>
<tr>
<td>1450 feet from</td>
<td></td>
</tr>
<tr>
<td>Sec. 27, Twp. 12, R. 14</td>
<td>East (West)</td>
</tr>
</tbody>
</table>

Is Section: [ ] Regular or [ ] Irregular

If Section is Irregular, locate well from nearest corner boundary.

Section corner used:

EXAMPE

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 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 unit must be attached. (CD-7 for oil wells; CD-8 for gas wells).
February 24, 2006

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

RE: Drilling Pit Application
Austin Lease Well No. 2-27
NE/4 Sec. 27-12S-14W
Russell 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 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 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 (785) 825-0550 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 Haynes
Environmental Protection and Remediation Department

c: H Deines