KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

KCC WICHITA

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

For KCC Use:
Effective Date: 5-14-06
District # 1
SGA? [X] Yes [ ] No

Expected Spud Date

<table>
<thead>
<tr>
<th>Month</th>
<th>Day</th>
<th>Year</th>
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<tbody>
<tr>
<td>5</td>
<td>25</td>
<td>2006</td>
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OPERATOR:
Licenses # 36604
Name: Rainey Exploration, Inc.
Address: 9400 N. Broadway, Suite 400
City/State/Zip: Oklahoma City, OK 73204
Contact Person: Tom R. Gray
Phone: 405-788-8585

CONTRACTOR:
Licenses # 31572
Name: Big A Drilling Co.

Well Drilled For:
[ ] Oil [ ] Gas [ ] Storage [ ] Other

Well Class:
[ ] Infield [X] Mud Rotary [ ] Wildcat [ ] Cable

Type Equipment:
[ ] Enhanced Recovery [ ] Pool Ext [ ] Air Rotary

If OWWO: old well information as follows:
Operator: Calvin Exploration
Well Name: Adams #1-17
Original Completion Date: 12/19/1979
Original Total Depth: 6260

Directional, Deviated or Horizontal wellbore?
[ ] Yes [X] No

If Yes, true vertical depth:

Bottom Hole Location:

KCC DKT #:

Spud

<table>
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<tr>
<th>SE</th>
<th>SW</th>
<th>NW</th>
</tr>
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<tbody>
<tr>
<td>34S</td>
<td>29</td>
<td></td>
</tr>
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</table>

Feet from:
N / S Line of Section
E / W Line of Section

Is SECTION [X] Regular [ ] Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Meade
Lease Name: Adams Ranch
Field Name: Adams Ranch

Is this a Prorated / Spaced Field?
[ ] Yes [X] No

Target Formation(s): Basal Chester

Nearest Lease or unit boundary: 330

Ground Surface Elevation: 2535

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

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

Depth to bottom of fresh water:

Depth to bottom of usable water:

Surface Pipe by Alternate:
[ ] Yes [ ] No

Length of Surface Pipe Planned to be set:
1532

Length of Conductor Pipe required:

Projected Total Depth: 6260

Formation at Total Depth: Basal Chester

Water Source for Drilling Operations:
[ ] Well [ ] Farm Pond [ ] Other

DWR Permit #:

Will Cores be taken?
[ ] Yes [X] No

(Note: Apply for Permit with DWR)

If Yes, proposed zone:

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 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 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 #133,991-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: 5-2006

Signature of Operator or Agent:

Title: Vice-President

Remember to:

- File Drill Pit Application (Form CDP-1) with Intent to Drill;
- File Completion Form (KCC-1) within 120 days of spud date;
- File acreage attribution plat according to filed proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (GP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.

[ ] Well Not Drilled - Permit Expired

Signature of Operator or Agent:

Date:

Mall to: KCC - Conservation Division, 130 S. Merkit - 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. 15: 119-20382-0001
Operator: Raydon Exploration, Inc.
Lease: Adams Ranch
Well Number: 117R
Field: Adams Ranch

Number of Acres attributable to well:
QTR / QTR / QTR of acreage: SE - SW - NW

Location of Well: County: Meade
2310 feet from ✓ N / ✓ W Line of Section
990 feet from ✓ E / ✓ W Line of Section
Sec: 17 Twp: 34S R: 29
Is Section: ✓ Regular or □ Irregular

If Section is Irregular, locate well from nearest corner boundary.
Section corner used: □ NE □ NW □ SE □ SW

(Show location of the well and shade attributable acreage 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 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 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: (CO-7 for oil wells; CG-8 for gas wells).
Operator Name: Raydon Exploration, Inc.
Operator Address: 9400 N. Broadway, Suite 400, Oklahoma City, OK 73114
Contact Person: Tom R. Gray
License Number: 30604
Phone Number: (405) 478-8585
Pit Location (QQQQ):
SE    SW    NW    
Sec. 17  Twp. 34S  R. 29  E  W
2310 Feet from N  S  
990 Feet from E  W  
County
Mead

Lease Name & Well No.: Adams Ranch #1-17R
Type of Pit:
- Emergency Pit
- Burn Pit
- Settling Pit
- Drilling Pit
- Workover Pit
- Haul-Off Pit
(Pit Supply API No. or Year Drilled)

Pit is:
- Proposed
- Existing
If Existing, date constructed:

Pit capacity:
14,000 (bbls)

Is the pit located in a Sensitive Ground Water Area? Yes / No
Chloride concentration: _ mg/l
(For Emergency Pits and Settling Pits only)

Is the bottom below ground level? Yes / No
Artificial Liner? Yes / No
How is the pit lined if a plastic liner is not used?
Natural Permeability

Pit dimensions (all but working pits):
125 Length (feet) 125 Width (feet) N/A: Steel Pits
Depth from ground level to deepest point: 5 (feet)

If the pit is lined give a brief description of the liner material, thickness and installation procedure.

Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.

Distance to nearest water well within one-mile of pit
AT 50 feet Depth of water well 360 feet

Depth to shallowest fresh water 15 feet
Source of information: measured well owner electric log KDWR

Emergency, Settling and Burn Pits ONLY:
Producing Formation:
Number of producing wells on lease:
Barrels of fluid produced daily:
Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes / No

Drilling, Workover and Haul-Off Pits ONLY:
Type of material utilized in drilling/workover: Drilling Mud
Number of working pits to be utilized: 1
Abandonment procedure: Evaporation and back fill

Drill pits must be closed within 365 days of spud date.

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

5-2-06
Date
Signature of Applicant or Agent

KCC OFFICE USE ONLY
Date Received: 5/4/06 Permit Number: Permit Date: 5/8/06 Lease Inspection: Yes / No

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202
May 8, 2006

Mr. Tom R. Gray
Raydon Exploration, Inc.
9400 N. Broadway Ste 400
Oklahoma City, OK  73049

RE:  Drilling Pit Application
Adams Ranch Lease Well No. 1-17R
NW/4 Sec. 17-34S-29W
Meade County, Kansas

Dear Mr. Gray:

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.

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 Haynes
Environmental Protection and Remediation Department

cc: File
WELL PLUGGING RECORD

Meade County, Sec. 17 Twp. 34 S Rge. 29 W 1/2
Location as "S/NE/NE" or footage from lines
SE SW NW
Lease Owner Calvin Exploration, Inc.,
Lease Name Adams Field No. 1-27
Office Address 680 E. Syracuse Circle, Englewood, Colo.
Character of Well (Completed as Oil, Gas or Dry Well)

Dry Hole
Date Well completed December 19, 1979
Application for plugging filed Sep 18, 1979
Application for plugging approved Dec 19, 1979
Plugging commenced December 19, 1979
Plugging completed December 19, 1979
Reason for abandonment of well or producing formation

Dry Hole
If a producing well is abandoned, date of last production
Gas permission obtained from the Conservation Division or
its agents before plugging was commenced? Yes
Depth to top Bottom Total Depth of Wells Drilled
Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS

<table>
<thead>
<tr>
<th>VERTICAL</th>
<th>CONTENT</th>
<th>FROM</th>
<th>TO</th>
<th>SIZE</th>
<th>PUT IN</th>
<th>PULLED OUT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surface</td>
<td>Casing</td>
<td>0</td>
<td>1532'</td>
<td>8-5/8&quot;</td>
<td>1532'</td>
<td>None</td>
</tr>
</tbody>
</table>

Describe in detail the manner in which the well was plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same and depth placed, from foot to foot for each plug set.

Plugged Hole w/50 sax cement @ 3500', 15 sax cement @ 750', 10 sax cement @ 40', & 5 sax cement in rat hole.

If additional description is necessary, use BACK of this sheet

Name of Plugging Contractor: DOWELL

STATE OF KANSAS  COUNTY OF SEDGWICK

John R. Bartholomew, Sage Drilling Co., being first duly sworn on oath, says: That I have knowledge of the facts, statements, and matters herein contained and the logs of the above-described well as filed and that the same are true and correct. So help me God.

(Signature)

SUBSCRIBER AND SWORN TO before me this 26th day of December, 1979

Louise K. Whitted - Notary Public

My commission expires November 26, 1982