KANSAS CORPORATION COMMISSION

OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

Expected Spud Date: 04 02 2006

Spud Spot: 10°S & 50°W

NE NW SE Sec. 26 Tr. 19 S. R. 22

Is SECTION Regular Irregular?

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

County: Ness

Lease Name: Gillig

Well #: 3-26

Field Name: Schaben

Is this a Perforated / Spaced Field?

Target Formation(s): Mielusinplian

Nearest Lease or unit boundary: 1/4

Ground Surface Elevation: 2280

Water well within one-quarter mile:

Public water supply well within one mile:

Depth to bottom of fresh water:

Depth to bottom of usable water:

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 200

Length of Conductor Pipe required: None

Projected Total Depth: 5400

Formation at Total Depth: Mielusinplian

Water Source for Drilling Operations:

Will Contain inclusions?

If No, proposed zone:

KCC DC#: 21206-05-04-019-010

PER ORDER NO

REMOVED FROM SCHABEN RPO.

KCC RBD#

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.B.A. 86 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 the 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 #133,981-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: December 12, 2005

Signature of Operator or Agent: Scott Corseil

Title: Petroleum Engineer

Per KCC Use ONLY

API #: 135: 24428-00-00

Conductor pipe required: None

Minimum surface pipe required: 200 feet per Alt. +

Approved by: KCC 12/13/05

This authorization expires: 6/30/06

(This authorization void if drilling not started within 6 months of effective date.)

Spud date: 9-12-06

For KCC Use Only

Remember to:

- File Drill PR Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File casing distribution plot according to field promotion orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing of injecting salt water.

Well Not Drilled - Permit Expired

Signature of Operator or Agent: Scott Corseil

Date: 9-12-06