For KCC Use: 2.8.04

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL
Must be approved by KCC 5 days prior to commencing drill

Expected Spud Date 2 3 2004

OPERATOR: License#: 5259
Name: MATT OIL OPERATIONS, INC.
Address: P.O. BOX 33
City/State/Zip: RUSSELL, KS. 67665
Contact Person: ALLEN BANGERT
Phone: 785-483-2169

CONTRACTOR: License#: 30606/
Name: MURPHY DRILLING CO., INC.

Well Drilled For: Oil
Well Class: Enh Rec
Type Equipment: Mud Rotary

If OWWO: old well information as follows:
Operator:
Original Completion Date:
Original Total Depth:
Directional, Deviated or Horizontal wellbore? Yes No
If Yes, true vertical depth:
Bottom Hole Location:
KCC DKT #:

Spot 70N & 80'E / E
C. East Sec. 6 Twp. 16 S. R. 11

Is SECTION Regular Irregular?
(Note: Locate well on the Section Plat on reverse side)

County: BARTON
Lease Name: ANSCHUTZ-KAISER UNIT
Field Name: WILDCAT

Width of Planned Area:

Nearest Lease or unit boundary:

Ground Surface Elevation:

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:

Length of Surface Pipe Planned to be set:

Length of Conductor Pipe required:

Projected Total Depth:

Formation at Total Depth:

Water Source for Drilling Operations:

DWR Permit #:

Will Cores be taken?

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

Date: 1-29-2003 Signature of Operator or Agent: ALLEN BANGERT Title: PROD. SUPT.

For KCC Use ONLY

API #15: 009-24784.00.00
Conductor pipe required: NONE
Minimum surface pipe required: 360 feet per Acre
Approved by:
This authorization expires: 8.3.04

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

For KCC Use ONLY

Spud date: Agent:

Remember to:
- File Drill Plan Application (form CDP-1) with Intent to Drill;
- File Completion Form AFC-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to waterover or re-entry;
- Submit plugging report (CP-4) after plugging is completed.
- Obtain written approval before disposing or injecting salt water.
- If this permit has expired (See authorized expiration date) please check the box below and return to the address below.

Well Not Drilled - Permit Expired
Signature of Operator or Agent:
Date: 6.10.04
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 -
Operator: MAI OIL OPERATIONS, INC.
Lease: ANSHUTZ KAISER UNIT
Well Number: 1
Field: WILDCAT

Number of Acres attributable to well:

GTR / GTR / GTR of acreage: ______________

Location of Well: County: BARTON
2710 feet from N \ S Line of Section
1240 feet from E \ W Line of Section
Sec. 6 Twp. 16 S. R. 11 East West

Is Section: [ ] Regular or [X] Irregular

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

PLAT

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

![Diagram showing well location and acreage attribution]

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).
February 3, 2004

Mr. Allen Bangert
Mai Oil Operations, Inc.
PO Box 33
Russell, KS 67665

RE: Drilling Pit Application
Anshutz-Kaiser Unit Lease Well No. 1
NE/4 Sec. 06-16S-11W
Barton County, Kansas

Dear Mr. Bangert:

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 on a daily basis.

The fluids should be taken to an authorized disposal well. Please call the District Office at (785) 625-0550 when the fluids have been removed. Also, please file the enclosed CDP-5 form, Surface Pond Waste Transfer, within 30 days of fluid removal.

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,

Kathleen Haynes
Environmental Protection and Remediation Department

cc: H Deines