KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTE OF INTENT TO DRILL
Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date: 4-4-04

OPERATOR: License#: 6142
Name: Town Oil Company, Inc.
Address: 16205 West 287th St.
City/State/Zip: Paola, Kansas 66071
Contact Person: Lester Town
Phone: 913-294-2125

CONTRACTOR: License#: Company Tools
Name: 

Well Drilled For: Oil, Gas, Storage, Disposal, Seismic, Other
Well Class: Infield, Pool Ext., Wildcat, Other, Fracture
Type Equipment: Mud Rotary, Air Rotary, Cable

Spot: FE. NE. NE. Sec. 11, T51, S. R. 20

If GWOO: old well information as follows:
Operator: 
Well Name: 
Original Completion Date: 
Original Total Depth: 

Directional, Deviated or Horizontal well?: No
Bottom Hole Location: 
KCC DKT #: 

GND. SURFACE EL.: 

Well water within one-quarter mile: Yes
Public water supply well within one mile: No
Depth to bottom of fresh water: 100 ft
Depth to bottom of usable water: 200 ft

Surface Pipe by Alternate: 
Length of Surface Pipe Planned to be set: 40 ft
Length of Conduct Pipe required: None

Projected Total Depth: 900 ft
Formation of Total Depth: Squirrel

Water Source for Drilling Operations: Well, Farm Pond, Other
DWR Permit #: 

Will Cores be taken? Yes
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. 55-101, 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 completion, production pipe shall be cemented from below any usable water to surface within 120 days of spud date. 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: 4-25-04  Signature of Operator or Agent: 
Title: Agent

For KCC Use ONLY

API # 15: 045-21286-00-00
Conductor pipe required: None
Minimum surface pipe required: 40 ft\footnote{Per Al. 4.0} per Alt. 4.0
Approved by: RSP 3.30-04
This authorization expires: 9-30-04
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: 

Mail to: KCC - Conservation Division, 130 S. Market - Room 7078, Wichita, Kansas 67202

Remember to:
- File Drill Plan Application (form CDG-1) with Intent to Drill;
- File Completion Form ACC-1 within 120 days of spud date;
- File acreage attribution plat according to field pronation 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 or injecting salt water.

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11.15.04
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

PLOT 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: ______________________________
Lease: ________________________________
Well Number: __________________________
Field: ________________________________

Number of Acres attributable to well: ____________________________
QTR / QTR / QTR of acreage: ____________________________

Location of Well: County: ____________________________
__________________________ feet from S / N (circle one) Line of Section
__________________________ feet from E / W (circle one) Line of Section
Sec. _____ Twp. _____ Range _____ [ ] East [ ] West

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 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. (CD-7 for oil wells; CG-8 for gas wells).