KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

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

For KCC Use:
Effective Date: 8-2-04
District #: 3

SGA? Yes No

Expected Spud Date: August 2, 2004

OPERATOR: License #: 5786
Name: McGown Drilling, Inc.
Address: P.O. Box 299
Mound City, KS 66056
Contact Person: Doug McGown
Phone: 913-795-2258

CONTRACTOR: License #: 5786
Name: McGown Drilling, Inc.
Address: P.O. Box 299
Mound City, KS 66056
Contact Person: Doug McGown
Phone: 913-795-2258

Well Drilled For:
Oil
Enr Rec
Gas
Storage
OWO
Disposal
Seismic

Well Class:
Infield
Pool Ext.
Wildcat
Other

Type Equipment:
Mud Rotary
Air Rotary
Cable

Spot
530 feet from N
330 feet from E

S. R. 25 East
W. R. 25 West

Is SECTION Regular Irregular?

County: Bourbon
Lease Name: Beth
Well #: 4-8
Field Name: Fulton
Is this an Offset/Spaced Field? Yes No
Target Formation: Mississippi
Nearest Lease or Unit Boundary: 330
Ground Surface Elevation: feet MSL
Water well within one-quarter mile: Yes No
Public water supply well within one mile: Yes No
Depth to bottom of fresh water: 200
Depth to bottom of usable water: 100
Surface Pipe by Alternate: 1
Length of Surface Pipe Planned to be Set: 20'
Length of Conductor Pipe Required: None

Projected Total Depth: 500
Formation at Total Depth: Mississippi

Water Source for Drilling Operations:
Well
Farm Pond
Other

DWR Permit #: 2

Will Cores be taken? Yes No

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 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 a 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 of 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: 7-26-04
Signature of Operator or Agent: [Signature] Title: Agent

For KCC Use ONLY
API #: 011-23000-00.00
Conductor pipe required: None
Minimum surface pipe required: 20 feet per Alt. ^

Approved by: RSP 7-28-04

This authorization expires: 1-28-04

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

Spud date: Agent:

Remember to:
- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plot according to field proration orders;
- Notify appropriate district office 48 hours prior toworkover or re-entry;
- Submit plugging report (DP-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: [Signature]
Date:

Mail to: KCC - Conservation Division, 130 S. Market - 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 - 
Operator: McGown Drilling, Inc.
Lease: Beth
Well Number: 4-8
Field: Fulton

Location of Well: County: Bourbon
330 feet from  N / S Line of Section
330 feet from  E / W Line of Section
Sec. 8 Twp. 24 S. R. 25  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: (CG-7 for oil wells; CG-8 for gas wells.)

RECEIVED
JUL 28 2004
KCC WICHITA