NOTICE OF INTENT TO DRILL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Must be approved by KCC 5-15 days prior to commencing well

APR 15: 21145-00-00

Minimum surface pipe required: • G20

Approved by: 27/24-2005

This authorization expires:

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

Spud date: Agent:

FORM C-1
December 2000

Form must be Typed
Form must be Signed
All blanks must be filled

Expected Spud Date: 02 1 2005

OPERATOR: Licensee: 3911
Name: Name Operating Co., Inc.
Address: P.O. Box 159
City/State/Zip: Stafford, KS 67578
Contact Person: Robin Austin
Phone: (325) 234-5191

CONTRACTOR: Licensee: 5142
Name: Sterling Drilling, Inc.

Well Drilled For:

Well Class: E
Type/Equipment:
Oil
Enth Rec
Gas
Storage
WGO
Disposal
Water
Road

either

If OWIO: did well information as follows:
Operator:
Well No.: 163-02
Original Completion Date: Original Total Depth:
Directional, Deviated or Horizontal well?
Yes
No
If Yes, true vertical depth:

Bottom Hole Location:
KCC DKT:

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 at.

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 permit #133,891-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: 1-12-2005

Signature of Operator or Agent:

Title: Vice president

Receive:

KCC WICHITA

RECEIVED

JAN 14 2005

KCC WICHITA

Remember to:

- File Drill Plan Application (form CDP-1) with intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File completion attribute plot according to field projection orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CPF-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:

For KCC Use Only:

API #: 119.21145-00-00

Conductor pipe required: • G20

Minimum surface pipe required: • G20

Approved by: 27/24-2005

This authorization expires:

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

Spud date: Agent:
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: Range Operating Co., Inc.
Lease: Adams
Well Number: 8-11
Frac: Adams Ranch West
Number of Acres attributable to well: 160
QTR / QTR / QTR of acreage: 150 S, 80, NW

Location of Well: County: Meade
2020 feet from N / 1,770 feet from E
Sec: 11 Twp: 35 R: 30
W / East
Is Section: [ ] Regular or [ ] Irregular
If Section is irregular, locate well from extreme 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 6 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).
January 24, 2005

Robin Austin
Rama Operating Co., Inc.
PO Box 159
Stafford, KS 67578

RE: Drilling Pit Application
Adams Lease Well No. 8-11
NW/4 Sec. 11-35S-30W
Meade County, Kansas

Dear Mr. Austin:

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 the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again 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 (620) 225-8838 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,

Kathy Haynes
Environmental Protection and Remediation Department

c: S Durrant