NOTICE OF INTENT TO DRILL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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

Expected Spud Date: March 23, 2005

OPERATOR: Licensed: 4058

Name: AMERICAN WARRIOR, INC.

Address: P. O. Box 199

City/State/Country: Garden City, Kansas

Phone: 620-275-9231

Contractor: Licensed: 5929

Name: DURS DRILLING CO., INC.

Well Name: (Note: enter well on the Section Plat on reverse side)

Well Class: MD Rotary

Type Equipment: Drill Rig

Gas: Storage

Oil: Disposal

Water: Wildcat

Salaried: # of Hours

Other:

IF OWNED: old well information as follows:

Operator:

Well Name:

Original Completion Date:

Original Total Depth:

Directional, Deviated or Horizontal well?: Yes

If Yes, true vertical depth:

Bottom Hole Location:

KCC DKT:

For KCC Use ONLY

API # 19

Conductor pipe required: NONE

Minimum surface pipe required: 200 feet per All.

Approved by: RGP 3.18.05

The authority expires: 5.18.05

(This authorization and if drilled not started within 3 months of effective date.)

Spud date:

Signature of Operator or Agent:

Date: March 15, 2005

Mail to: KCC - Conservation Division, 130 S. Market - Room 207A, Wichita, Kansas 67202

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 58-30a, et seq.

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 above shall be set by circulating cement to the top; in all cases surface pipe shall be set through all unconsolidated material 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 ascension 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 any alternate completion, production pipe shall be cemented from below any usable water to surface within 120 days of spud date.

Or pursuant to Appendix C: Eastern Kansas surface casing order #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: March 15, 2005

Agent

Remember to:

- File Drill Permits Application (form CCO-1) with Intent to Drill
- File Completion Form CCO-1 within 120 days of spud date
- File acreage attribution petition to district position orders
- Notify appropriate district office 48 hours prior to workover or re-entry
- Submit plugging report (CPO-4) after plugging is completed
- Obtain written approval before disposing or injecting salt water
- If the 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:

Mail to: KCC - Conservation Division, 130 S. Market - Room 207A, 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 prorated acreage attribute unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribute unit for oil wells.

API No. 15: ____________________________
Operator: ____________________________________________
Lease: ____________________________
Well Number: ____________________________
Field: ____________________________

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

Location of Well: County: ____________________________

Field Attribute Unit: ____________________________

Sec. _______ Twp. _______ R. _______ E. _______ W. _______

Is Section: [ ] Regular or [ ] Irregular

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

PLAT
(Show location of the well and shade attribute 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.

EXAMPLE

1860

3000' S

SEWARD CO.

10

Barber County

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,
   CD 9 for gas wells).
March 17, 2005

Mr. Cecil O'Brate
American Warrior, Inc.
PO Box 399
Garden City, KS 67846-0399

RE: Drilling Pit Application
Alexander Lease Well No. 2-11
N/W4 Sec. 11-32S-151W
Barber County, Kansas

Dear Mr. O'Brate:

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) 225-8688 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 me undersigned at the above address.

Sincerely,

Kathy Haynes
Environmental Protection and Remediation Department

cc: S Durrant