NOTICE OF INTENT TO DRILL

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

<table>
<thead>
<tr>
<th>Well</th>
<th>SE</th>
<th>SW</th>
<th>S</th>
<th>SE</th>
</tr>
</thead>
<tbody>
<tr>
<td>660</td>
<td>770</td>
<td>1515</td>
<td>N</td>
<td>S</td>
</tr>
</tbody>
</table>

Is SECTION Regular Irregular

<table>
<thead>
<tr>
<th>County</th>
<th>Anderson</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lease Name</td>
<td>Bailey-Knoller</td>
</tr>
<tr>
<td>Field Name</td>
<td>Lakeview</td>
</tr>
<tr>
<td>Tract</td>
<td>4</td>
</tr>
<tr>
<td>Is this a Prowed/Spaced Field</td>
<td>No</td>
</tr>
<tr>
<td>Target Formation/Surface Well</td>
<td>Squaw/Bartellie</td>
</tr>
<tr>
<td>Nearest Lease or Unit Boundary</td>
<td>100</td>
</tr>
<tr>
<td>Ground Surface Elevation</td>
<td>100</td>
</tr>
<tr>
<td>Water well within one thousand feet</td>
<td>No</td>
</tr>
<tr>
<td>Public water supply well within one mile</td>
<td>No</td>
</tr>
<tr>
<td>Depth to bottom of another water well</td>
<td>100</td>
</tr>
<tr>
<td>Surface Pipe by Alternate</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Length of Surface Pipe planned to be set</td>
<td>12</td>
</tr>
<tr>
<td>Length of Conductor Pipe required</td>
<td>None</td>
</tr>
<tr>
<td>Projected Total Depth</td>
<td>220</td>
</tr>
<tr>
<td>Formation at Total Depth</td>
<td>Bartellie</td>
</tr>
<tr>
<td>Water Source for Drilling Operations</td>
<td>Well</td>
</tr>
<tr>
<td>Area</td>
<td>Firm Pond</td>
</tr>
</tbody>
</table>

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<td>S</td>
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</table>

Will Core be taken?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

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 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 of all casings of surface pipes through all uncompleted member 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 district office will be notified before well is either plugged or abandoned.
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 days of spud date.

For KCC Only

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IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

If the intended well is in a prorated or spaced field, please fully complete this area 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: Petroleum Oil and Gas, Inc.
Lease: Batley-Knotter
Well number: H7
Field: Selma
Number of Acres attributable to well: [Provide the number of acres]

QTR / QTR / QTR of acres:

Location of Well: County: Anderson
660 feet from [Provide distances]
Line of Section 18S15S
Sec. 22, Twp. 21, S. n. 2°
Line of Section [Provide direction]
Is Section: [Regular or Irregular]

If Section is Irregular, locate well from nearest corner boundary.
Section corner used: [Provide the section corner used]

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.)

EXAMPLE

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 drilling 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).