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

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

For KCC Use

Date: 6-28-05

Effective Date:

District #

GIAT Yes No

OPERATOR: Licensee: 32278

Name: Togasco Inc.

Address: P.O. Box 458

City/State/Zip: Hays, KS 67601

Contact Person: Ed Glassman

Phone: 785-625-6374

CONTRACTOR: Licensee: Unknown

Name: ACOC - MBB

LICENCED WITH KMB:

Yes No

Equipment:

Type: Mud Rotary

Spot SW SW SE Dec 26 17 SR 14 East

East from N 330

West from E 2310

Is Section Regular Irregular?

(Note: Locate well on the Section Plan on reverse side)

County: Barton

Lessee Name: Ben Tempero

Well # 123

Field Name:

Is this a Pointed Spaced Field?

Yes No

Target Formation(s): Arbuckle

Net Lease or unit boundary:

330

Ground Surface Elevation:

Estimated Net MLS

Water well within one-quarter mile:

Yes No

Public Water supply well within one mile:

Yes No

Depth to bottom of fresh water:

200

Surface Pipe by Alternate:

1 2

Length of Surface Pipe Required:

840

Lenght of Conducto Pipe required:

None

Projected Total Depth:

3460

Formation at Initial Depth:

Arbuckle

Water Supply for Drilling Operations:

Well Farm Pond Other

Drill Permit #

(Note: Apply for Permit with DNR)

Will Core be taken?

Yes No

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 et.seq.

It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office prior to drilling 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 material that 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 permanently abandoned, as certified at.

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 19E, Eastern Kansas surface casing order #133,389-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 to the best of my knowledge and belief.

June 26, 2005 Signature of Operator or Agent: James Geology

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

For KCC Use ONLY

API: 40-2,4849-00:00

Conductor pipe required: None

Minimum surface pipe required: 360 feet per AI.

Approved by: 12/23/05

This authorization expires: 12/23/05

This authorization will be drilling not started within 6 months of effective date.

Spud date: Agent
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plut 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: Tengasco Inc.
Lease: Ben Tempo
Well Number: A #7
Field: Sanford

Number of Acres attributable to well:

26

QTR / QTR / QTR of acreage: SW - SW - SE

Location of Well: County: Barton

26

Line of Section

320

Line of Section

2310

Sec. 26

East

Line of Section

S

Is Section: Yes

Regular or

Irregular

If Section is irregular, locate well from nearest corner boundary.

Section corner used:

NE

NW

SE

SW

(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 selected 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).
June 23, 2005

Mr. Ed Glassman
Tengasco, Inc.
PO Box 458
Hays, KS 67601

RE: Drilling Pit Application
Ben Tempero Lease Well No. A 3
SE/4 Sec. 26-17S-14W
Barton County, Kansas

Dear Mr. Glassman:

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. Please call the district office at (785) 625-0650 before digging the pits. District staff has determined that 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 (785) 625-0550 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

cc: H Deines

Conservation Division, Kansas State Office Building, 130 S. Market, Room 2078, Topeka, KS 66620-2802

Voice 785.296.6200 Fax 785.296.6211 www.kcc.state.ks.us