NOTICE OF INTENT TO DRILL

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

KANSAS CORPORATION COMMISSION
OILS GAS CONSERVATION DIVISION

OPERATOR: Licensed 5002
Name: McCoy Petroleum Corporation
Address: 400 E. Central Suite #300
City/State/Zip: Wichita, Kansas 67206
Contact Person: Scott Stamper
Phone: 316-636-2737

CONTRACTOR: Licensed 5342
Name: Sterling Drilling Company

Well Drilled For:

[Boxes for well class, mud rotary, air rotary, etc.]

Well Class: [] M.O. Disposal: [] Intert.

If OWNO: Did well information as follow:

[Boxes for Yes, No, and additional details]

Original Completion Date:
Original Total Depth:
Directional, Deviated or horizontal well?
Yes [ ] No [ ]
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. 55-101, 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; in all cases surface pipe shall be set through 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 rig 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 ALTERTATE 11 COMPLETION, production pipe shall be cemented from before any usable water to surface within 120 days of spud date. In all cases, NOTIFY district office prior to any commencing.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: July 14, 2005
Signature of Operator or Agent:

For KCC Use ONLY:

Minimum surface pipe required: 5,000 feet

This authorization expires: 09/01/06

Mail to: KCC - Conservation Division, 130 S. Market - Room 207B, 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: McCoy Petroleum Corporation
Lease: BIAGGI "A"
Well Number: 33-33
Field: Treton

Number of Acres attributable to well:
GTR / QTR / QTR of acreage: NW - NE - NE

Location of Well: County: Edwards
- 330' feet from Line of Section
990' feet from Line of Section
Sec. 33, Twp. 25, S. R. 30

Is Section Regular or X Irregular

If Section is Irregular, locate well from nearest corner boundary.
Section corner: NE, NW, SE

PLAT
(Show location of the well and shade attributable acreage for prorated or spaced wells)
(Show footage to the nearest feet or unit boundary line.)

NOTE: In all cases locate the exact of the proposed drilling location.

In plotting the proposed location of the well, you must show:
1. The number 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: (CO-7 for oil wells; CO-8 for gas wells).
July 18, 2005

Mr. Scott Hampel
McCoy Petroleum Corporation
8080 E. Central Ste 300
Wichita, KS 67206

RE: Drilling Pit Application
     Biaggi A Lease Well No. 2-33
     NE/4 Sec. 33-25S-20W
     Edwards County, Kansas

Dear Mr. Hampel:

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) 225-8888 when the fluids have been removed. Please file form CDP-5, Exploration and Production Waster Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms.

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: S Durrant

Conservation Division, Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3002
Voice 316.397.6200 Fax 316.397.6211 www.kcc.state.ks.us