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: September 23, 2005

OPERATOR: Licensed 5682
Name: Hughes Drilling Co.
Address: 122 N. Main
City/State/Zip: Wellington, KS 66092
Contact Person: Carl (City) Hughes
Phone: 785-863-2232 Cell 663-863-9127

CONTRACTOR: Licensed 5682
Name: Company/Field

Well Drilled For: Oil
Well Class: Production
Type Equipment: Mud Rotary

Well Location:

If ONWO, old well information as follows:
Operator:
Well Name:
Original Completion Date:
Original Total Depth:
Directional, Deviated or Horizontal wellbore?
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 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 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 shall be notified well before the well is either plugged or production casing is cemented.
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented below any usable surface within 120 days of spud date.
Or pursuant to Appendix "W" - 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.

For KCC Use Only

API # 15 - 091-23064/00:00
Conductor pipe required: None feet
Minimum surface pipe required: 20 feet per Acre

This authorization expired: 3/30/06
(THIS AUTHORIZATION WILL IF DRILLING NOT STARTED WITHIN 6 MONTHS MUST BE NOTIFIED)

Spud date: 3/30/06

Remember to:
- File Drill In Application (Form COP-1) with Intent to Drill;
- File Completion Form ACD-1 within 120 days of spud date;
- File acreage abandonment plat according to field persision order;
- Notify appropriate district office 48 hours prior to workflow or re-entry;
- Submit plugging report (CP-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

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 the plat 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: Hughes Drilling Co.
Lease: Braun
Well Number: Z-1
Files: Langenacker SE
Number of Acres attributable to well:
QTR / QTR / QTR of acreage: SW, SE, NE

Location of Well: County: Johnson
3060 feet from N / S Line of Section
2330 feet from E / W Line of Section
Sec. 36 Twp. 14 R. 21
Line or Section

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

PLAT
(Show location of all wells and shade attributable acreage for prorated or spaced wells.)
(Show location of 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 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.