

RECEIVED

December 2002

Form must be Typed

Form must be Signed

All blanks must be Filled

For KCC Use: 3-24-04

Effective Date: 3-24-04

District # 1

SGA? Yes No

NOTICE OF INTENT TO DRILL

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

MAR 15 2004

Expected Spud Date 05 month 01 day 2004 year

Spot Ap NE NE SW SW Sec 14 Twp 32S S. R. 40W East West

KCC WICHITA

OPERATOR: License # 5952
Name: BP AMERICA PRODUCTION COMPANY
Address: P. O. BOX 3092, WL1, RM 3.201
City/State/Zip: HOUSTON, TX 77253-3092
Contact Person: SUE SELLERS
Phone: (281)366-2052

1250' S feet from N / S Line of Section
1250' W feet from E / W Line of Section
Is SECTION Regular Irregular?

(Note: Locate well on Section Plat on Reverse Side)

CONTRACTOR: License #: 5382
Name: CHEYENNE DRILLING

County: MORTON
Lease Name: KELLY 'A' Well #: 3

Field Name: HUGOTON
Is this a Prorated/Spaced Field? Yes No

Target Formation(s): CHASE
Nearest Lease or unit boundary: 1250' S

Ground Surface Elevation: 3316' feet MSL
Water well within one-quarter mile: yes no

Public water supply within one mile: yes no
Depth to bottom of fresh water: 400

Depth to bottom of usable water: 560
Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 580' Min
Length of Conductor pipe required: NONE

Projected Total Depth: 2760
Formation at Total Depth: CHASE

Water Source for Drilling Operations:
Well Farm Pond Other

DWR Permit #: _____
(Note: Apply for Permit with DWR)

Will Cores Be Taken?: Yes No
If yes, proposed zone: _____

Well Drilled For: Well Class: Type Equipment:

- | | | | |
|--|-----------------------------------|---|--|
| <input type="checkbox"/> Oil | <input type="checkbox"/> Enh Rec | <input checked="" type="checkbox"/> Infield | <input checked="" type="checkbox"/> Mud Rotary |
| <input checked="" type="checkbox"/> Gas | <input type="checkbox"/> Storage | <input type="checkbox"/> Pool Ext. | <input type="checkbox"/> Air Rotary |
| <input type="checkbox"/> OWWO | <input type="checkbox"/> Disposal | <input type="checkbox"/> Wildcat | <input type="checkbox"/> Cable |
| <input type="checkbox"/> Seismic; # of Holes | <input type="checkbox"/> Other | | |

If OWWO: 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- 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 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 will be notified before well is either plugged or production casing is cemented in;
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 "B" - 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: 03/08/04 Signature of Operator or Agent: Sue Sellers Title: REGULATORY STAFF ASSISTANT

For KCC Use ONLY
 API # 15- 129-21733-00-00
 Conductor pipe required NONE feet
 Minimum surface pipe required 580 feet per Alt 1
 Approved by: RJP 3-19-04
 This authorization expires: 9-19-04
 (This authorization void if drilling not started within 6 months of effective date.)
 Spud date: _____ Agent _____

Remember to:

- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.

If 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: _____
 Date: _____

17 32 400

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 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 BP AMERICA PRODUCTION COMPANY
 Lease KELLY 'A'
 Well Number 3
 Field HUGOTON/CHASE

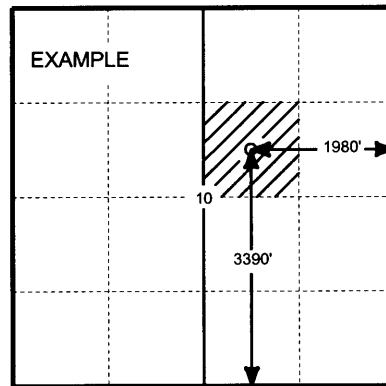
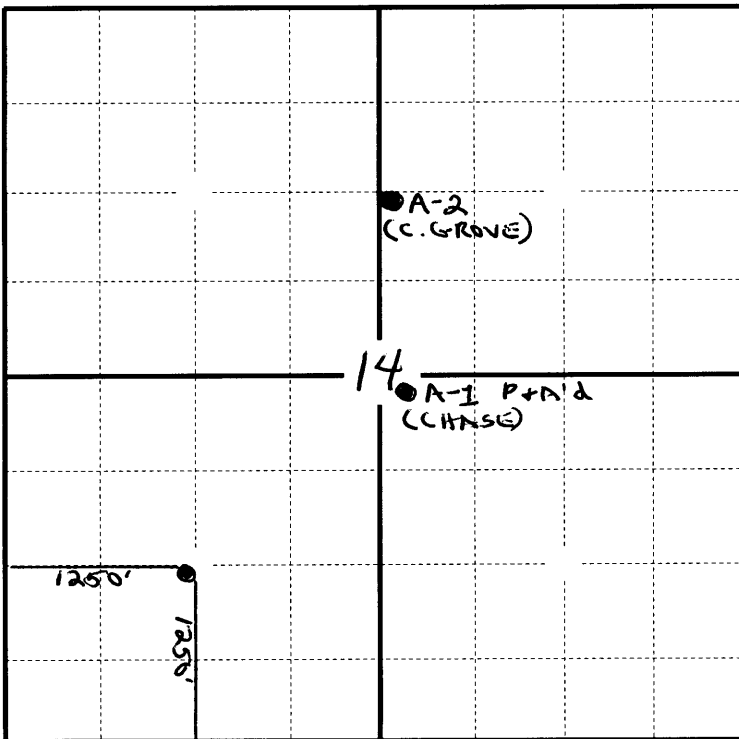
Location of Well: County: MORTON
 _____ 1250' S feet from N / S Line of Section
 _____ 1250' W feet from E / W Line of Section
 Sec 14 Twp 32S S. R. 40W East West

Number of Acres attributable to well: 640
 QTR/QTR/QTR of acreage: NE - SW - SW

Is Section Regular or Irregular
If Section is irregular, locate well from nearest corner boundary.
 Section corner used: _____ NE _____ NW _____ SE _____ SW

PLAT

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



SEWARD CO.

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; and 3.
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; CG-8 for gas wells).