

PERMIT EXTENSION

RECEIVED

For KCC Use: 4-4-04
Effective Date:
District #: 3
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

MAR 29 2004

Form C-1
September 1999
Form must be Typed
Form must be Signed
All blanks must be Filled

NOTICE OF INTENT TO DRILL

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

KCC WICHITA

AP 125'S T103'E of

Expected Spud Date: month day year

OPERATOR: License# 6142
Name: Town Oil Company, Inc.
Address: 16205 West 287th St.
City/State/Zip: Paola, Kansas 66071
Contact Person: Lester Town
Phone: 913-294-2125

CONTRACTOR: License# Company Tools
Name:

Spot NE - NE - NE Sec. 11 Twp. 15 S. R. 20
4825 feet from (S) Line of Section
225 feet from (E) Line of Section
Is SECTION X Regular Irregular?

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

County: Douglas
Lease Name: EARLY Well #: 20 C
Field Name: Baldwin

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Squirrel
Nearest Lease or unit boundary: 225

Ground Surface Elevation: feet MSL

Water well within one-quarter mile: Yes No
Public water supply well within one mile: Yes No

Depth to bottom of fresh water: 100 +
Depth to bottom of usable water: 200 +

Surface Pipe by Alternate: 1 X 2

Length of Surface Pipe Planned to be set: 40

Length of Conductor Pipe required: None

Projected Total Depth: 900

Formation at Total Depth: Squirrel

Water Source for Drilling Operations: Well Farm Pond Other X

DWR Permit #:
Will Cores be taken? Yes No

If Yes, proposed zone:
(Permit Extension Request Received 9-13-04)

Table with columns: Well Drilled For, Well Class, Type Equipment. Includes checkboxes for Oil, Gas, CWWO, Seismic, Enh Rec, Storage, Disposal, Infield, Pool Ext, Wildcat, Other, Mud Rotary, Air Rotary, Cable.

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: RECEIVED

KCC DKT #: SEP 13 2004

KCC WICHITA

AFFIDAVIT

Permit Extension Request Received 9-13-04

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. 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: 3-25-04 Signature of Operator or Agent: Rebekah Town Title: Agent

For KCC Use ONLY
API # 15 - 045-21287-00-00
Conductor pipe required NONE feet
Minimum surface pipe required 40 feet per All. # 2
Approved by: RJP 3-30-04 / RJP 9-14-04
This authorization expires: 9-30-04 / 3-30-05
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.

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

11 15 20 E