

COR

For KCC Use: Effective Date: 2-27-05 District # 3 SGA? Yes No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1 December 2002 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

Expected Spud Date 28 March 9 2005 month day year

Spot NE NE SE Sec. 22 Twp. 27 S. R. 21 East West * 2239-2251 feet from N / S Line of Section * 340-332 feet from E / W Line of Section

OPERATOR: License# 33503 Name: Paxton Grant LLC Address: 132 N. Otsego Ave. City/State/Zip: Gaylord MI 49735 Contact Person: Dave Fleming Phone: 620-252-9985

Is SECTION Regular Irregular? (Note: Locate well on the Section Plat on reverse side) County: Neosho Lease Name: Inman Well #: D 3-22 Field Name: Wildcat

CONTRACTOR: License# Will be licensed by KCC Name: Will Advise on ACO-1

Is this a Prorated / Spaced Field? Yes No Target Formation(s): Arbuckle Dolomite

Well Drilled For: Well Class: Type Equipment: Oil Enh Rec Infield Mud Rotary Gas Storage Pool Ext. Air Rotary OWWO Disposal Wildcat Cable Seismic; # of Holes Other Other

* Nearest Lease or unit boundary: 340 332 feet MSL * Ground Surface Elevation: 1019 990 feet MSL Water well within one-quarter mile: Yes No

If OWWO: old well information as follows: Operator: Well Name: Original Completion Date: Original Total Depth:

Public water supply well within one mile: Yes No Depth to bottom of fresh water: 100 Depth to bottom of usable water: 200

Directional, Deviated or Horizontal wellbore? Yes No If Yes, true vertical depth: Bottom Hole Location: KCC DKT #:

Surface Pipe by Alternate: 1 2 Length of Surface Pipe Planned to be set: 25' Length of Conductor Pipe required: NONE

WAS: 2239'FSL ; 340'FEL ; NE-NE-SE G.L.1019 ; 340'FNLL

Projected Total Depth: 1500' Formation at Total Depth: Arbuckle Dolomite Water Source for Drilling Operations: Well Farm Pond Air

DWR Permit #: (Note: Apply for Permit with DWR) Will Cores be taken? Yes No

If Yes, proposed zone: RECEIVED KANSAS CORPORATION COMMISSION FEB 22 2005

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;
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.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief. Date: 2-18-2005 Signature of Operator or Agent: Mark Bailey Title: Operations Manager

For KCC Use ONLY API # 15 - 133-26299-00-00 Conductor pipe required NONE feet Minimum surface pipe required 20 feet per Alt. 1 2 Approved by [Signature] This authorization expires: 8-22-05 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. - 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: Date:

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

22 27 21E

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 - 133-26299-00-00
 Operator: Paxton Grant
 Lease: Inman
 Well Number: D 3-22
 Field: Wildcat

Location of Well: County: Neosho
~~2299~~ 2251 feet from N / S Line of Section
~~340~~ 332 feet from E / W Line of Section
 Sec. 22 Twp. 27 S. R. 21 East West

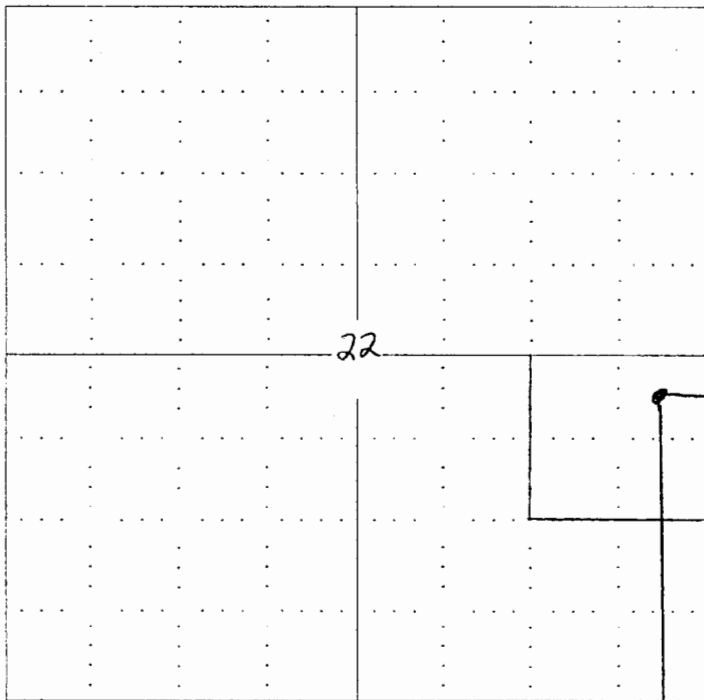
Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: NE NE SE

Is Section: Regular or Irregular

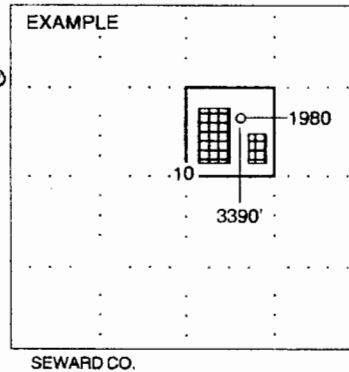
If Section is Irregular, locate well from nearest corner boundary.
 Section corner used: NE NW SE SW

PLAT

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



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 FEB 22 2005
 CONSERVATION DIVISION
 WICHITA, KS



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: (CO-7 for oil wells; CG-8 for gas wells).