

For KCC Use:

Effective Date: 5-17-05

District # 1
SGA? Yes No

NOTICE OF INTENT TO DRILL

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

Expected Spud Date MAY 01 2005
month day year

OPERATOR: License # 5952 (6-30-05)
Name: BP AMERICA PRODUCTION COMPANY
Address: P. O. BOX 3092, WL1, RM 3.201
City/State/Zip: HOUSTON, TX 77253-3092
Contact Person: Deane Myers
Phone: (281)366-4395

CONTRACTOR: License # 2-28-06 CONSERVATION DIVISION
Name: CHEYENNE DRILLING LP WICHITA, KS

Well Drilled For: Oil Enh Rec Gas Storage OWWO Disposal Seismic; # of Holes Other
Well Class: Infield Pool Ext. Wildcat Other
Type Equipment: 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: _____
KCC DKT # 05-CONS-233-CWLF

WELLBORE EXCEPTION GRANTED 5-12-05

Spot CNE NE NE Sec 15 Twp 29 S. R 40 W East West

330 FNL _____ feet from N / S L Line of Section
330 FEL _____ feet from E / W L Line of Section
Is SECTION Regular _____ Irregular?

County: STANTON
Lease Name: KELMAN Well #: 4

Field Name: HUGOTON
Is this a Prorated/Spaced Field? Yes No
Target Formation(s): HUGOTON / CHASE

Nearest Lease or unit boundary: 330'
Ground Surface Elevation: 3275 feet MSL

Water well within one-quarter mile: yes no
Public water supply within one mile: yes no

Depth to bottom of fresh water: 500
Depth to bottom of usable water: 640

Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 520 MIN

Length of Conductor pipe required: NONE
Projected Total Depth: 2550

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: _____

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: MARCH 24, 2005 Signature of Operator or Agent: Lou Barry Title: PERMITTING COORDINATOR

For KCC Use ONLY
API # 15- 187. 21056.00-00
Conductor pipe required NONE feet
Minimum surface pipe required 520 feet per Alt. (2)
Approved by: RJS 5-12-05
This authorization expires: 11-12-05
(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: _____

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 KELMAN
 Well Number 4
 Field HUGOTON / CHASE

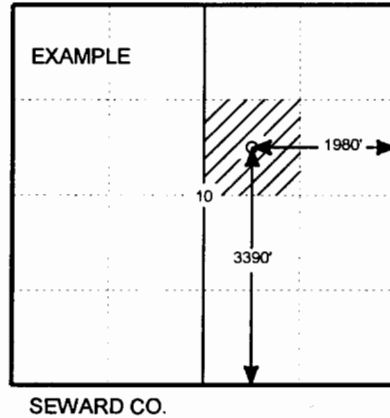
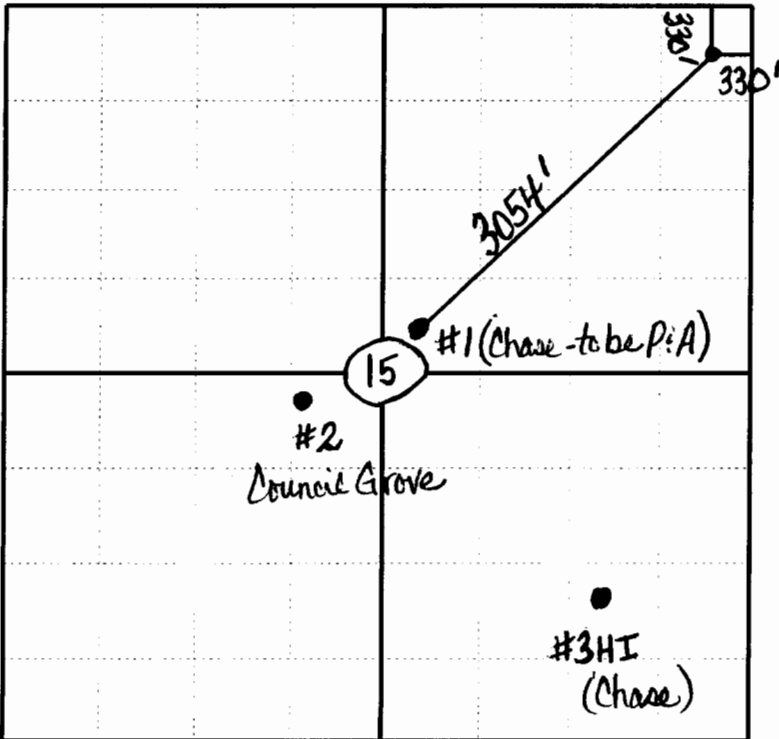
Location of Well: County: STANTON
 _____ 330 FNL feet from N / S / L Line of Section
 _____ 330 FEL feet from E / W / L Line of Section
 Sec _____ 15 Twp _____ 29 S. R. _____ 40 W East West

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

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)*



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).