Effective Date: 7.23-05 OIL& GAS CONS	RATION COMMISSION Form C-1 ERVATION DIVISION RECEIVED September 1999 Form must beTyped
SGA? A 168 LINO	NTENT TO DRILL JUL 15 2005 All blanks must be Filled
Must be approved by KCC five	e (5) days prior to commencing Well
Expected Soud Date July 28 2005	Spot KCC WICHITA
Expected Spud Date	SW - SW - SE $Sec 2$ $Twp. 26$ S. R. 19 West
ODEDATOR: Linear 5003	330 feet from S N (circle one) Line of Section
M-Con Detrology Comparation	2310 feet from (E) W (circle one) Line of Section
Name: MCCoy Petroleum Corporation Address: 8080 E. Central, Suite #300	Is SECTION X Regular Irregular?
City/State/Zip: Wichita, Kansas 67206	(Note: Locate well on the Section Plat on reverse side)
Contact Person: Scott Hampel	County Edwards
Phone: 316-636-2737	Lease Name: WILLIAMS "A" Well #: 1-2
6039	Field Name: Titus
CONTRACTOR: License#	Is this a Prorated / Spaced Field? Mississinnian
	Target Information(s): Mississippian Nearest Lease or unit boundary: 330'
Well Drilled For: Well Class: Type Equipment:	Ground Surface Elevation: 2207' feet MSI.
Oil Enh Rec Infield Mud Rotary	Water well within Dne-quarter mile:
Gas Storage Pool Ext. Air Rotary	Public water supply well within one mile:
0WW0 Disposal Wildcat Cable	Depth to bottom of fresh water: 100' 180
Seismic;# of Holes Other	Depth to bottom of usable water: 250 260
Other	Surface Pipe by Alternate: X 12
f OWWO: old well information as follows:	Length of Surface Pipe Planned to be set: 320'+
Operator:	Length of Conductor Pipe required: None
Well Name:	Projected Total Depth: 4850' Producing Formation Target: Mississippian
Original Completion Date:Original Total Depth:	Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore?	Well X Farm Pond Other
f Yes, true vertical depth:	DWR Permit #:
Sottom Hole Location:	(Note: Apply for Permit with DWR 🔀)
(CC DKT#:	Will Cores be taken?
	If Yes, proposed zone:
The undersigned hereby affirms that the drilling, completion and eventual parties is agreed that the following minimum requirements will be met:	Dlugging of this well will comply with K.S.A. 55-101, et. seq.
through all unconsolidated materials plus a minimum of 20 feet into t	et by circulating cement to the top; in all cases surface pipe shall be set he underlying formation.
 If the well is dry hole, an agreement between the operator and the c The appropriate district office will be notified before well is either plug If an ALTERNATE 11 COMPLETION, production pipe shall be cemer date. <i>In all cases, NOTIFY district office</i> prior to any cementing. 	
hereby certify that the statements made herein are true and to the best o	of myknowledge and belief.
nate: July 14, 2005 Signature of Operator or Agent:	Title: Engineering/Production Mgr.
For KCC Use ONLY,	Remember to -
API#15- 047- 21506.00.00	File Drill Pit Application (form CDP-1) with Intent to Drill;
1000	File Completion Form ACO-1 within 120 days of spud date;
Conductor pipe requiredreet	File acreage attribution plat according to field proration orders; Notify appropriate district office 48 hours prior to workover or
Minimum surface pipe required 280 feet per Alt. 4 Approved by: RJP 7-18-05	re-entry;

This authorization expires: 1-18-06

Spud date:_

(This authorization void if drilling not started within 6 months of effective date.)

Agent: .

Submit plugging report (CP-4) after plugging is completed;
 Obtain written approval before disposing or injecting salt water.

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

RECEIVED
JUL 1 5 2005

KCC WICHITA

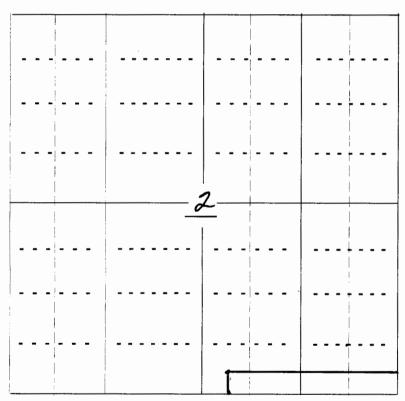
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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.

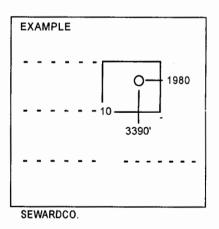
API No. 15	Location of Well: County:Edwards
Operator: McCoy Petroleum Corporation	
Lease: WILLIAMS "A"	feet from SLine of Section 2310' feet from E Line of Section
Well Number: 1-2	Sec_2 Twp_26 S. R 19 East West
Field: Titus	
Number of Acres attributable to well:	Is Section X Regular or Irregular
QTR / QTR / QTR of acreage: SW - SW - SE	If Section is Irregular, locate well from nearest comer boundary.
	Section comer used:NENW -SESW

PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells)

(Show footage to the nearest lease or unit boundary fine.)





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).

KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR
BRIAN J. MOLINE, CHAIR
ROBERT E. KREHBIEL, COMMISSIONER
MICHAEL C. MOFFET, COMMISSIONER

July 18, 2005

Mr. Scott Hampel McCoy Petroleum Corporation 8080 E. Central Ste 300 Wichita, KS 67206

RE: Drilling Pit Application Williams A Lease Well No. 1-2 SE/4 Sec. 02-26S-19W Edwards County, Kansas

Dear Mr. Hampel:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed <u>without slots</u>, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again as soon as practical after drilling operations have ceased.

If production casing is set all completion fluids shall be removed on a daily basis.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 when the fluids have been removed. Please file form CDP-5, Exploration and Production Waster Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,

Cauty Haynes

Environmental Protection and Remediation Department

cc: S Durrant