For KCC Use: Effective Date: 8-19-05 District # 3

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

Form C-1

December 2002

Form must be Typed

Form must be Signed

All blanks must be Filled

| SGA? Yes X No | | | 5) days prior to commencing well | All blanks must be Fi | |
|---|--|--|--|--|------|
| Expected Spud Date 08/29/05 | | | Spot | [√] E | 261 |
| month | day year | AP. 5/ | 2-S2- SE - NW Sec. 33 Twp. 2 | 23 _{S.B.} 16 | est |
| OPERATOR: License# 32710 V Name: Laymon Oil II, LLC | | | 2840 | I / [/]C Line of Continu | |
| 4000 0 - 1 - 1 D - | | | Is SECTION ✓ Regular Irregular? | | |
| Address: 1998 Squirrei Rd City/State/Zip: Neosho Falls, KS 66758 | | | (Note: Locate well on the Section Pla | nt on reverse sidel | |
| Contact Person: Kenneth Laymon | | | County: Woodson | | |
| Phone: 620-963-2495 | | | Lease Name: Glades Field Name: Vernon | Well #: 25-05 | - |
| CONTRACTOR: License# 5661 | | | Is this a Prorated / Spaced Field? | , Yes [✓ | No / |
| Name: Kelly Down Drilling Co., INc | | | Target Formation(s): Mississippi | | |
| Well Drilled For: Well Class: | / Type Equipment: | | Nearest Lease or unit boundary: 200 | | |
| ✓ Oil Enh Rec ✓ Infield | ✓ Mud Rotary | | Ground Surface Elevation: n/a | feet M | _ |
| Gas Storage Pool Ext. | Air Rotary | | Water well within one-quarter mile: | Yes ✓ | |
| OWO Disposal Wildcat | Cable | | Public water supply well within one mile: | / Yes ✓ | No |
| Seismic: # of Holes Other | | | Depth to bottom of fresh water: 425 | | |
| | | | Depth to bottom of usable water: 200 | | |
| (2.1) | | | Surface Pipe by Alternate: 1 2 | | |
| If OWWO: old well information as follows: | | | Length of Surface Pipe Planned to be set: 40' | | |
| Operator: | | | Length of Conductor Pipe required: none | | |
| Well Name: | | | Projected Total Depth: 1350 | | |
| Original Completion Date:Or | iginal Total Depth: | | Formation at Total Depth: Mississippi | | |
| Directional, Deviated or Horizontal wellbore? | Yes | $\chi_{\rm No}$ | Water Source for Drilling Operations: | | |
| If Yes, true vertical depth: | L | A. T. | Land Line | | |
| Bottom Hole Location: | | | DWR Permit #: | | / |
| KCC DKT #: | | | (Note: Apply for Permit with D | own []) [Yes [✔] | امرا |
| NOO DICI "- | | | Will Cores be taken? If Yes, proposed zone: | res 🗸 | NO |
| | | | | >=A=\\ | |
| The undersigned hereby offirms that the drilling | as completion and ov | AFFIC | JAVIT gging of this well will comply with K.S.A. 55 et. s | RECEIVED | |
| It is agreed that the following minimum requir | | entual plu | | AUG 2 7 2005 | |
| Notify the appropriate district office <i>pri</i> | | | • | HUU | |
| A copy of the approved notice of intent The minimum amount of surface pipe a through all unconsolidated materials pl If the well is dry hole, an agreement be The appropriate district office will be noted. If an ALTERNATE II COMPLETION, pr Or pursuant to Appendix "B" - Eastern | to drill shall be posted as specified below sha us a minimum of 20 feetween the operator a stified before well is elloduction pipe shall be Kansas surface casir | ed on each all be set eet into the and the dis ther plugg cemente ng order # | by circulating cement to the top; in all cases substitute underlying formation. Strict office on plug length and placement is nec | essary <i>prior to plugging</i> 120 days of spud date. area, alternate II cement | |
| I hereby certify that the statements made her | rein are true and to the | e best of | my knowledge and belief. | | |
| Date: 68/19/05 Signature of Op | perator or Agent: | gena . | Laymon Title: ag | <i>†</i> | |
| | | 2 | Remember to: | | |
| For KCC Use ONLY | | | - File Drill Pit Application (form CDP-1) with Inte | nt to Drill: | 1 |
| API # 15 . 207-26907 -00-00 | | | - File Completion Form ACO-1 within 120 days | | مر |
| | | | - File acreage attribution plat according to field | proration orders; | Cu |
| Conductor pipe required None | feet | , (9) | Notify appropriate district office 48 hours prior | | |
| Minimum surface pipe required 40' | feet per Alt. | K (2) | - Submit plugging report (CP-4) after plugging in | | 1 |
| Approved by: Dfw 8-24-05 | | | - Obtain written approval before disposing or in | - | ~ |
| This authorization expires: 2-24-06 | | | If this permit has expired (See: authorized exp check the box below and return to the address | | 2 |
| (This authorization void if drilling not started with | in 6 months of effective of | date.) | ["- "] | 30 Delow. | |
| Count date: | | | Well Not Drilled - Permit Expired | | į |
| Spud date: Agent: | | | Signature of Operator or Agent: | | 2 |
| Mail to: KCC - | Conservation Division | on, 130 S. | . Market - Room 2078, Wichita, Kansas 6720 | | 6 |

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

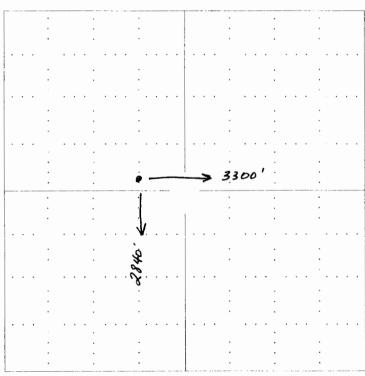
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 - 207 - 24907 - 00 - 00 | Location of Well: County: Woodson |
|--|--|
| Operator: Laymon Oil II, LLC | 2840 feet from N / V S Line of Section |
| Lease: Glades | 3300 feet from VE / W Line of Section |
| Well Number: 25-05 Field: Vernon | Sec. 33 Twp. 23 S. R. 16 ✓ East Wes |
| Number of Acres attributable to well: | Is Section: ✓ Regular or Irregular |
| QTR / QTR / QTR of acreage: SE . SE . NW | If Section is irregular, locate well from nearest corner boundary. Section corner used: NE NW SE SW |

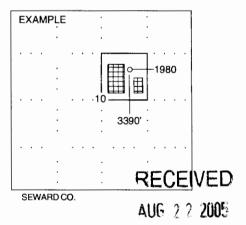
PLAT

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

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



NOTE: In all cases locate the spot of the proposed drilling locaton.



KCC WICHITA

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.
- If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).