

For KCC Use: 8-805
Effective Date: 8-805
District # 1
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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

NOTICE OF INTENT TO DRILL

AUG 01 2005

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

KCC WICHITA

Expected Spud Date August 23 2005
month day year

Spot NE - NE - SW Sec 2 Twp 26 S. R. 19 East West
2310 feet from (S) N (circle one) Line of Section
2310 feet from (W) E (circle one) Line of Section
Is SECTION Regular Irregular?

OPERATOR: License# 5003
Name: McCoy Petroleum Corporation
Address: 8080 E. Central, Suite #300
City/State/Zip: Wichita, Kansas 67206
Contact Person: Scott Hampel
Phone: 316-636-2737

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

CONTRACTOR: License# 6039
Name: L.D. Drilling

Lease Name: SCHULTZ "A" Well #: 1-2
Field Name: Titus

Is this a Prorated / Spaced Field? Yes No

Target Information(s): Mississippian

Nearest Lease or unit boundary: 330'

Ground Surface Elevation: 2205' 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: 280' 200

Depth to bottom of usable water: 260' 240

Surface Pipe by Alternate: X 1 2

Length of Surface Pipe Planned to be set: None

Length of Conductor Pipe required: None

Projected Total Depth: 4850'

Producing Formation Target: Mississippian

Water Source for Drilling Operations:

Well X Farm Pond Other

DWR Permit #: (Note: Apply for Permit with DWR)

Will Cores be taken? Yes No

If Yes, proposed zone:

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

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 #:

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 11 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 July 29, 2005 Signature of Operator or Agent: Scott Hampel Title: Engineering/Production Mgr.

For KCC Use ONLY

API # 15 - 047- 21509-00-00

Conductor pipe required NONE feet

Minimum surface pipe required 260 feet per Alt. 1 §

Approved by: RSPB 3-05

This authorization expires: 2-3-06

(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.

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

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26
197

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AUG 11 2008

KCC WICHITA

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 - _____
Operator: McCoy Petroleum Corporation
Lease: SCHULTZ "A"
Well Number: 1-2
Field: Titus

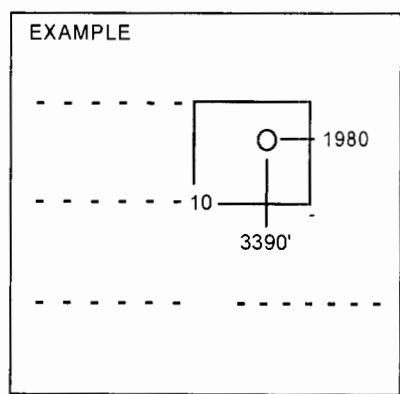
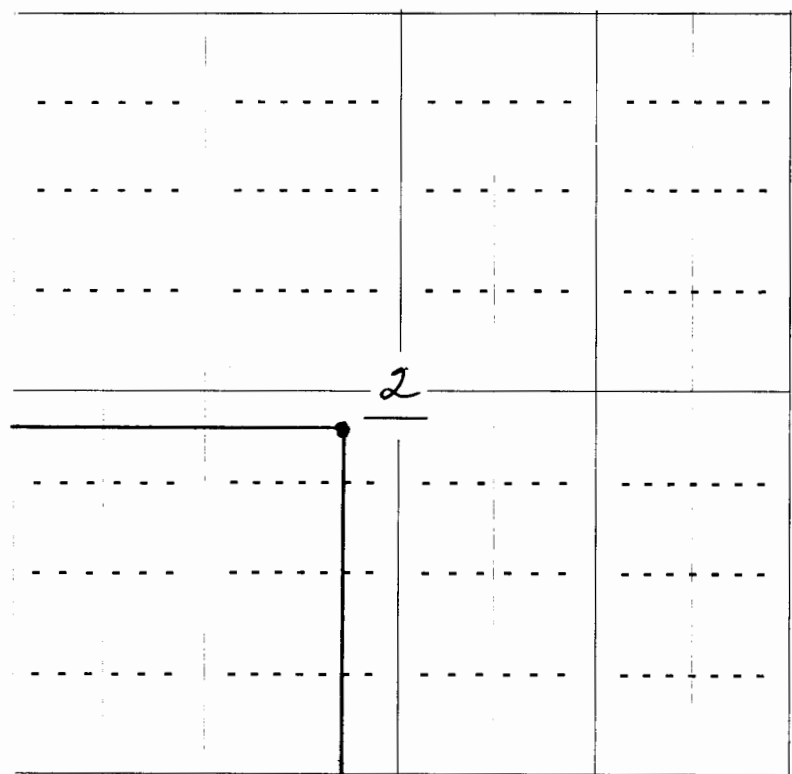
Location of Well: County: Edwards
2310' feet from S Line of Section
2310' feet from W Line of Section
Sec 2 Twp 26 S. R. 19 East West

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

Is Section _____ Regular or X 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 fine.)*



SEWARDCO.

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

August 2, 2005

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

RE: Drilling Pit Application
Schultz A Lease Well No. 1-2
SW/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 **without slots**, 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.

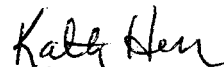
If production casing is set all completion fluids shall be removed on a daily basis.

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 Waste 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,



Kathy Haynes
Environmental Protection and Remediation Department

cc: S Durrant