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SEP 08 2005

Form C-1
December 2002

For KCC Use: 9.14.05
Effective Date: _____
District #: 2
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

KCC WICHITA

Form must be Typed
Form must be Signed
All blanks must be Filled

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

Expected Spud Date September 5, 2005
month 9 day 5 year 2005

Spot C5/2 SW SW Sec. 33 Twp. 32 S. R. 8 East West
330 feet from N / S Line of Section
565 feet from E / W Line of Section

OPERATOR: License# 6236
Name: MTM PETROLEUM, INC.
Address: P.O. BOX 82
City/State/Zip: SPIVEY KS 67142-0082
Contact Person: MARVIN A. MILLER
Phone: 620-532-3794

Is SECTION Regular Irregular?
(Note: Locate well on the Section Plat on reverse side)
County: HARPER
Lease Name: HARGETT Well #: 1
Field Name: SULLIVAN SOUTH

CONTRACTOR: License# 33610
Name: FOSSIL DRILLING, INC.

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): MISSISSIPPIAN
Nearest Lease or unit boundary: 660

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

Ground Surface Elevation: 1444 feet MSL
Water well within one-quarter mile: Yes No
Public water supply well within one mile: Yes No

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

Depth to bottom of fresh water: 150
Depth to bottom of usable water: 180
Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 200
Length of Conductor Pipe required: NONE
Projected Total Depth: 4500
Formation at Total Depth: MISSISSIPPIAN

Directional, Deviated or Horizontal wellbore? Yes No

Water Source for Drilling Operations:
 Well Farm Pond Other _____

If Yes, true vertical depth: _____
Bottom Hole Location: _____

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

KCC DKT #: _____

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 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: 08/22/05 Signature of Operator or Agent: Kathy Hill Title: SEC. (AGENT)

For KCC Use ONLY
API # 15 - 077-21527-0000
Conductor pipe required NONE feet
Minimum surface pipe required 200 feet per Alt
Approved by: RJP 9.9.05
This authorization expires: 3.14.06
(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.
- 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

33
52
82

KANSAS

CORPORATION COMMISSION

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

September 9, 2005

Mr. Marvin A. Miller
MTM Petroleum, Inc.
PO Box 82
Spivey, KS 67142-0082

Re: Drilling Pit Application
Hargett Lease Well No. 1
SW/4 Sec. 33-32S-08W
Harper County, Kansas

Dear Mr. Miller:

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 within 72 hours 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 (316) 630-4000 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: Doug Louis

