

For KCC Use: Effective Date: 10-12-05 District #: 2 SGA?  Yes  No

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

Must be approved by the K.C.C. five (5) days prior to commencing well

Expected Spud Date: OCTOBER 29 2005 month day year

Spot 90' E OF CENTER NW - NE - NE Sec. 34 Twp. 17 S. R. 10  East  West 330 feet from  N /  S Line of Section 900 feet from  E /  W Line of Section

OPERATOR: License # 3882 Name: SAMUEL GARY JR. & ASSOCIATES, INC. Address: 1670 BROADWAY, SUITE 3300 City/State/Zip: DENVER, CO 80202 Contact Person: TOM FERTAL Phone: (303) 831-4673

RECEIVED KANSAS CORPORATION COMMISSION

OCT 07 2005

Is SECTION X Regular Irregular? (Note: Locate well on the Section Plat on Reverse Side) County: ELLSWORTH Lease Name: SCHROEDER-MAES Well #: 5-34

CONTRACTOR: License 33323 Name: PETROMARK DRILLING

CONSERVATION DIVISION WICHITA, KS

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

Field Name: Is this a Prorated / Spaced Field?  Yes  No Target Formation(s): ARBUCKLE Nearest Lease or unit boundary: 330' Ground Surface Elevation: EST 1812' 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: 150 Depth to bottom of usable water: 380 Surface Pipe by Alternate:  1  2

Length of Surface Pipe Planned to be set: 420' Length of Conductor pipe required: NONE Projected Total Depth: 3500' Formation at Total Depth: ARBUCKLE

Water Source for Drilling Operations:  Well  Farm Pond Other  DWR Permit #: N/A

(Note: Apply for Permit with DWR ) Will Cores Be Taken?  Yes  No If yes, proposed zone: N/A

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 a 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 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: October 6, 2005 Signature of Operator or Agent: Thomas J Fertal Title: SR. GEOLOGIST

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:

For KCC use ONLY API # 15 - 053. 21162-00-00 Conductor pipe required NONE feet Minimum surface pipe required 400 feet per Alt. 1 Approved by: RJP 10-7-05 This authorization expires: 4-7-06 (This authorization void if drilling not started within 6 months of effective date.) Spud date: Agent:

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

34 17 100

OCT 07 2005

**IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW**

*Plat of Acreage attributable to a well in a prorated or spaced field*

CONSERVATION DIVISION

**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: SAMUEL GARY JR & ASSOCIATES, INC.  
Lease: SCHROEDER-MAES  
Well Number: 5-34  
Field: \_\_\_\_\_

Location of Well: County: ELLSWORTH  
\_\_\_\_\_ feet from  N /  S Line of Section  
\_\_\_\_\_ feet from  E /  W Line of Section  
Sec. 34 Twp. 17 S. R. 10  East  West

Is Section:  Regular or  Irregular

Number of Acres attributable to well: \_\_\_\_\_  
QTR / QTR / QTR of acreage: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

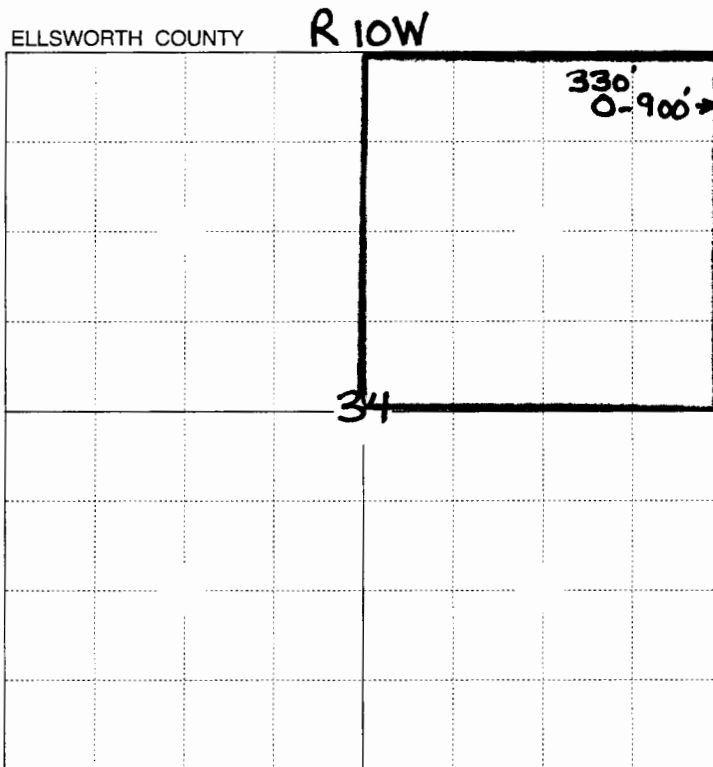
**If Section is Irregular, locate well from nearest corner boundary.**

Section corner used:  NE  NW  SE  SW

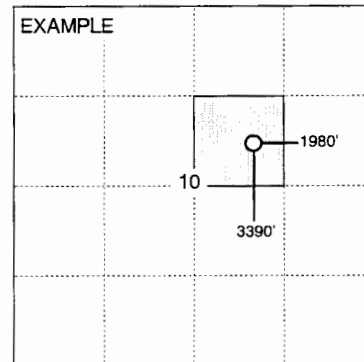
**PLAT**

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

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



*330' from nearest lease boundary*



SEWARD CO.

**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).