

For KCC Use: Effective Date: 7-17-05 District # 1 SGA? Yes No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

OWWO

Form C-1 December 2002

NOTICE OF INTENT TO DRILL

CORRECTED

Form must be Typed and Signed All blanks must be Filled

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

Expected Spud Date 7 29 05 month day year

Spot C W/2 SW SW Sec. 25 Twp. 32S S. R. 10 East West 560' feet from N / S Line of Section 330' feet from E / W Line of Section Is SECTION Regular Irregular?

OPERATOR: License# 31739 Name: luka/Carmi Development, LLC. Address: P.O. Box 847 City/State/Zip: Pratt, KS 67124 Contact Person: Kenneth C. Gates, Manager Phone: 620-672-6520 x 13

(Note: Locate well on the Section Plat on reverse side) County: Barber Lease Name: Ricke Well #: #1 OWWO Field Name: Little Sandy Creek

CONTRACTOR: License# 6113 33549 Name: Landmark Drilling, LLC.

Is this a Prorated / Spaced Field? Yes No Target Formation(s): Arbuckle

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

Nearest Lease or unit boundary: 1650' +/- Ground Surface Elevation: 1425' estimated feet MSL

If OWWO: old well information as follows: Operator: Bowers Drilling Company, Inc. Well Name: #1 Ricke Original Completion Date: D&A 11/3/85 Original Total Depth: 1424' KB

Water well within one-quarter mile: Yes No Public water supply well within one mile: Yes No

Directional, Deviated or Horizontal wellbore? Yes No If Yes, true vertical depth: Bottom Hole Location: KCC DKT #:

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: set @ 263' Length of Conductor Pipe required: N/A Projected Total Depth: 4980' Formation at Total Depth: Arbuckle

*WAS: LANDMARK DRILLING LLC 6113 IS: LIC 33549

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

(Note: Apply for Permit with DWR) 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:

RECEIVED JUN 30 2005 KCC WICHITA

- 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: 6-29-05 Signature of Operator or Agent: Kenneth C. Gates Title: Manager

For KCC Use ONLY API # 15 - 007-22095-00-01 Conductor pipe required NONE feet Minimum surface pipe required 256' set feet per Alt. (1) Approved by: RJP 7-12-05 / RJP 12-16-05 This authorization expires: 1-12-06 (This authorization void if drilling not started within 6 months of effective date.) Spud date: Agent:

Remember to:

- File Drill Pit Application (form GDP-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:

25 32 10W