

For KCC Use:
Effective Date: 3-8-06
District #: 1
SGA? [X] 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 KCC five (5) days prior to commencing well

Expected Spud Date February 1, 2006
month day year

Spot NE SE SW East West
Sec. 4 Twp. 34 S. R. 23

OPERATOR: License# 5254
Name: MIDCO Exploration, Inc.
Address: 414 Plaza Drive, Suite 204
City/State/Zip: Westmont, IL 60559
Contact Person: Earl J. Joyce, Jr.
Phone: 630-655-2198

4320 990' feet from N / S Line of Section
1000 2310' feet from E / W Line of Section
Is SECTION Regular Irregular?

CONTRACTOR: License# 30606
Name: Murfin Drilling Co., Inc.

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

County: Clark
Lease Name: Shaw Well #: 4-4
Field Name: Wildcat

Well Drilled For: Oil Gas OWO Seismic; # of Holes Other
Well Class: Enh Rec Storage Disposal Other
Type Equipment: Mud Rotary Air Rotary Cable

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

Nearest Lease or unit boundary: 600 990'
Ground Surface Elevation: 400 1934' 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: 100 180'
Depth to bottom of usable water: 200

Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 425

Length of Conductor Pipe required: none - 60 planned
Projected Total Depth: 5700

Formation at Total Depth: Mississippi
Water Source for Drilling Operations: Well Farm Pond Other

DWR Permit #: (Note: Apply for Permit with DWR)
Will Cores be taken? Yes No

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 #:

* WATCH FOR LOST CIRC. +/- 250'

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;
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.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 1/20/2006 Signature of Operator or Agent: Title: Vice-President

For KCC Use ONLY
API # 15 - 025-21348-00-00
Conductor pipe required NONE feet
Minimum surface pipe required 220' feet per Alt.
Approved by: DPW 3-3-06
This authorization expires: 9-3-06
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:

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JAN 26 2006

CONSERVATION DIVISION
WICHITA, KS

4
34
230

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: MIDCO Exploration, Inc. _____
 Lease: Shaw _____
 Well Number: 4-4 _____
 Field: Wildcat _____
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: E/2 - SW - _____

Location of Well: County: Clark _____
 1320 _____ feet from N / S Line of Section
 1980 _____ feet from E / W Line of Section
 Sec. 4 Twp. 34 S. R. 23 East West

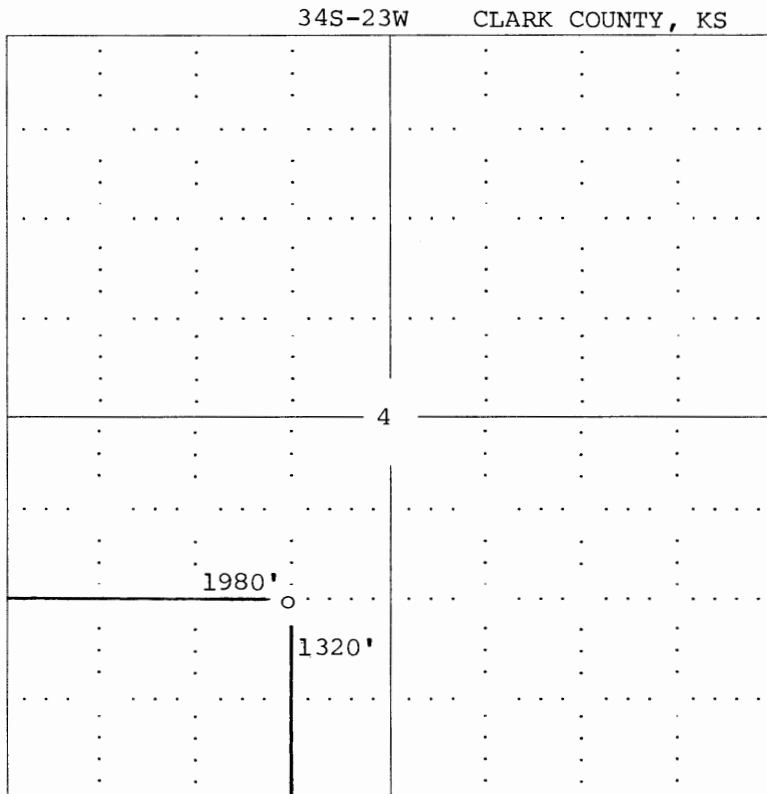
Is Section: Regular or Irregular

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

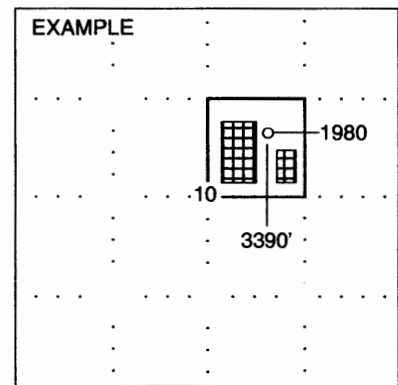
Section corner used: NE NW SE SW

PLAT

*(Show location of the well and shade attributable acreage for prorated or spaced wells.)
 (Show footage to the nearest lease or unit boundary line.)*



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 JAN 28 2003
 CONSERVATION DIVISION
 WICHITA, KS



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;

KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

BRIAN J. MOLINE, CHAIR

ROBERT E. KREHBIEL, COMMISSIONER

MICHAEL C. MOFFET, COMMISSIONER

March 2, 2006

Mr. Earl J. Joyce, Jr.
MIDCO Exploration, Inc.
414 Plaza Drive, Ste 204
Westmont, IL 60559

Re: Drilling Pit Application
Shaw Lease Well No. 4-4
SW/4 Sec. 04-34S-23W
Clark County, Kansas

Dear Mr. Joyce:

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 from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

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 (August 2004), 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

Department of Environmental Protection and Remediation

cc: Steve Durrant
File