

PERMIT EXTENSION

For KCC Use: Effective Date: 6-15-05 District #: 3 SCA? Yes No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

RECEIVED DEC 06 2005 KCC WICHITA

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

NOTICE OF INTENT TO DRILL

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

Expected Spud Date: 6-15-05 month day year

Spot: C N2 SW - SE Sec. 1 Twp. 18 S. R. 21 East West 1090 feet from (S) Line of Section 1980 feet from (E) Line of Section

OPERATOR: License# 6142 (6-30-05) Name: Town Oil Company, Inc. Address: 16205 West 287th St. City/State/Zip: Paola, Kansas 66071 Contact Person: Lester Town Phone: 913-294-2125

Is SECTION Regular Irregular? (Note: Locate well on the Section Plat on reverse side)

CONTRACTOR: License# Company Tools Name: _____

County: Miami Lease Name: O'Brien Well #: 7W

Field Name: Paola-Rantoul Is this a Prorated / Spaced Field? Yes No

Target Information(s): Bartlesville Nearest Lease or unit boundary: 495

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

Ground Surface Elevation: _____ 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

Depth to bottom of usable water: 200

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 20

Length of Conductor Pipe required: None

Projected Total Depth: 600

Producing Formation Target: Bartlesville

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

Water Source for Drilling Operations: Well _____ Farm Pond _____ Other

Directional, Deviated or Horizontal wellbore? Yes No

DWR Permit #: _____

If Yes, true vertical depth: _____

(Note: Apply for Permit with DWR)

Bottom Hole Location: _____

Will Cores be taken? Yes No

KCC DKT #: _____

If Yes, proposed zone: _____

Permit Extension Request Received 12-6-05

AFFIDAVIT

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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:

JUN - 9 2005

- 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. In all cases, NOTIFY district office prior to any cementing.

KCC WICHITA

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

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Date: 6-7-05 Signature of Operator or Agent: Rebecca Town Title: Agent

JUN 16 2006

KCC WICHITA

For KCC Use ONLY

API # 15 - 121-28085-00-00 Conductor pipe required NONE feet Minimum surface pipe required 20 feet per Alt. + 6 Approved by: RJR 6-10-05 / RJR 12-7-05 This authorization expires: 12-10-05 / 6-10-06 (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 ACQ-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.

Well Not Drilled - Permit Expired Rebecca Town - Agent 6-15-06