

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

DEC 22 2006

NOTICE OF INTENT TO DRILL

CONSERVATION DIVISION
WICHITA, KS

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

For KCC Use:
Effective Date: 12-27-06
District #: 2
SGA? Yes No

Expected Spud Date January 2 2007
month day year

OPERATOR: License# 4058
Name: American Warrior, Inc.
Address: P.O. Box 399
City/State/Zip: Garden City, Kansas 67846
Contact Person: Cecil O'Brate
Phone: 620-275-7461

CONTRACTOR: License# 33323
Name: Petromark Drilling, LLC (Rig #2)

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

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 #: _____

Spot East West
SW - SE - SW Sec. 7 Twp. 17 S. R. 10
330 feet from N / S Line of Section
1660 feet from E / W Line of Section
Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
County: Ellsworth
Lease Name: KPU Well #: 1-7
Field Name: Kraft-Prusa

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Arbuckle
Nearest Lease or unit boundary: 330 ft
Ground Surface Elevation: 1878 est 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 ft
Depth to bottom of usable water: 320 ft
Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 340 feet
Length of Conductor Pipe required: N/A
Projected Total Depth: 3350 ft
Formation at Total Depth: Arbuckle
Water Source for Drilling Operations: Well Farm Pond Other or possible water haul
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:

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: December 22, 2006 Signature of Operator or Agent: [Signature] Title: Agent

For KCC Use ONLY
API # 15 - 051-25604-0000
Conductor pipe required None feet
Minimum surface pipe required 340 feet per Alt. 0X
Approved by: [Signature]
This authorization expires: 6-22-07
(This authorization void if drilling not started within 6 months of approval 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: _____

7
17
10W

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

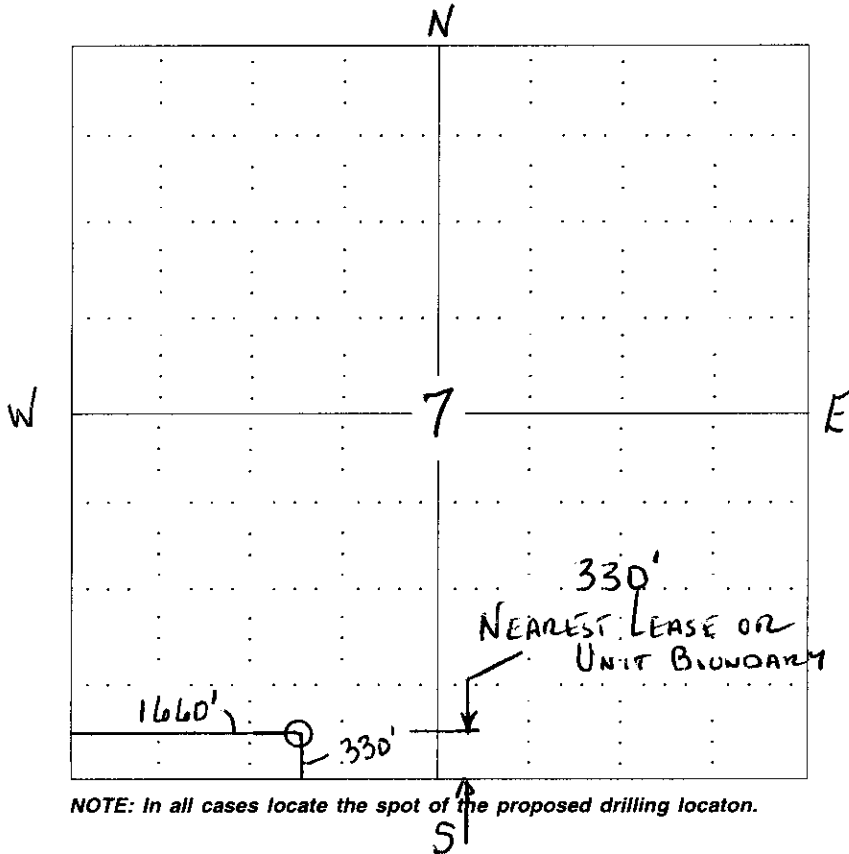
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 - 051-25604-0000
Operator: American Warrior, Inc.
Lease: KPU
Well Number: 1-7
Field: Kraft-Prusa
Number of Acres attributable to well: _____
QTR / QTR / QTR of acreage: SW - SE - SW

Location of Well: County: Ellsworth
_____ 330 feet from N / S Line of Section
_____ 1660 feet from E / W Line of Section
Sec. 7 Twp. 17 S. R. 10 East West
Is Section: Regular or Irregular
If Section is Irregular, locate well from nearest corner boundary.
Section corner used: NE NW SE SW

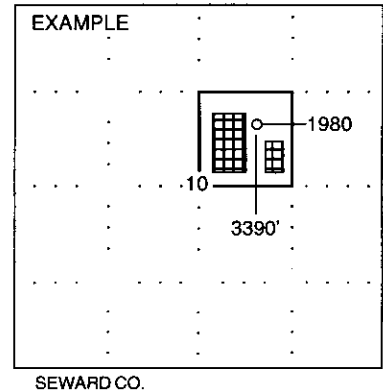
PLAT

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



NOTE: In all cases locate the spot of the proposed drilling locaton.

RECEIVED
KANSAS CORPORATION COMMISSION
DEC 22 2006
CONSERVATION DIVISION
WICHITA, KS



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).

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION


RECEIVED
KANSAS CORPORATION COMMISSION

Form CDP-1
April 2004
Form must be Typed

APPLICATION FOR SURFACE PIT DEC 22 2006

CONSERVATION DIVISION
WICHITA, KS

Submit in Duplicate

| | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Operator Name: American Warrior, Inc. | | License Number: 4058 |
| Operator Address: P.O. Box 399 Garden City, Kansas 67846 | | |
| Contact Person: Cecil O'Brate | | Phone Number: (620) 275 - 7461 |
| Lease Name & Well No.: KPU #1-7 | | Pit Location (QQQQ): SW SE SW |
| Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small> | Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls) | Sec. 7 Twp. 17 R. 10 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 330 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 1660 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Ellsworth County |
| Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | Chloride concentration: _____ mg/l <small>(For Emergency Pits and Settling Pits only)</small> |
| Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | How is the pit lined if a plastic liner is not used? |
| Pit dimensions (all but working pits): 100 Length (feet) 100 Width (feet) N/A: Steel Pits Depth from ground level to deepest point: 4 (feet) | | |
| If the pit is lined give a brief description of the liner material, thickness and installation procedure. | | Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. |
| Distance to nearest water well within one-mile of pit NA feet Depth of water well _____ feet | | Depth to shallowest fresh water _____ feet. Source of information: _____ measured _____ well owner _____ electric log _____ KDWR |
| Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No | | Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: Bentonite Gel Number of working pits to be utilized: Three Abandonment procedure: Mud to evaporate. Afterward pits will be backfilled by dozer. Drill pits must be closed within 365 days of spud date. |
| I hereby certify that the above statements are true and correct to the best of my knowledge and belief. | | |
| December 22, 2006 Date | |  Signature of Applicant or Agent |

15-051-25604-0000

| | | | |
|--------------------------------|----------------------|------------------------------|---------------------------------------------------------------------------------------|
| KCC OFFICE USE ONLY | | | |
| Date Received: 12/22/06 | Permit Number: _____ | Permit Date: 12/22/06 | Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |