

For KCC Use:
 Effective Date: 12-3-06
 District #: 4
 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 KCC five (5) days prior to commencing well

Expected Spud Date 12 18 2006
month day year

OPERATOR: License# 31714 ✓
 Name: Novy Oil & Gas, Inc.
 Address: 125 N. Market, Suite 1230
 City/State/Zip: Wichita, KS 67202
 Contact: Person: Michael Novy
 Phone: 316-265-4651

* CONTRACTOR: License# 9431 ✓ 33965-15
 Name: Vonfeld Drilling Inc. W25 Royal Drilling - IS

Well Drilled For:	Well Class:	Type Equipment:
<input checked="" type="checkbox"/> Oil <input checked="" type="checkbox"/> Enn. Rec	<input checked="" type="checkbox"/> Infield	<input checked="" type="checkbox"/> Mud Rotary
<input type="checkbox"/> Gas <input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> OWWO <input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat	<input type="checkbox"/> Cable
Seismic: <u> </u> # of Holes	<input type="checkbox"/> Other	

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
 C.W/2 - SW - SW Sec. 25 Twp. 19 S. R. 11 East
660 feet from N / S Line of Section
330' feet from E / W Line of Section
 Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
 County: Barton
 Lease Name: Isern Well #: 7
 Field Name: Kraft-Prusa Pool
 Is this a Prorated / Spaced Field? Yes No
 Target: Information(s): Arbuckle
 Nearest Lease or unit boundary: 330'
 Ground Surface Elevation: Est 1766 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: 90'
 Depth to bottom of usable water: 230'
 Surface Pipe by Alternate: 1 2
 Length of Surface Pipe Planned to be set: 260 feet of 9 5/8
 Length of Conductor Pipe required: none
 Projected Total Depth: 3312
 Formation at Total Depth: Arbuckle
 Water Source for Drilling Operations:
 Well Farm Pond Other Truck
 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: 11/9/06 Signature of Operator or Agent: Michael E. Novy Title: Vice President

For KCC Use ONLY
 API # 15 - 009-25001-0000
 Conductor pipe required None feet
 Minimum surface pipe required 250 feet per Alt. 1
 Approved by: Ruth 11-28-06 / Ruth 1-2-07
 This authorization expires: 5-28-07
(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 ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field prorator 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: _____

Mail to: KCC - Conservation Division, 130 S. Main Street, Room 1209, Wichita, Kansas 67202
RECEIVED
 KANSAS CORPORATION COMMISSION
JAN 08 2007
KCC WICHITA
 CONSERVATION DIVISION
 WICHITA, KS