

For KCC Use: Effective Date: 9-11-06 District # 3 SGA? Yes No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

Expected Spud Date September 14 2006 month day year

OPERATOR: License# 3473 Name: William T. Wax Address: P. O. Box 276 City/State/Zip: McCune, KS 66753 Contact Person: Bill Wax Phone: 620/724-3400

CONTRACTOR: License# 3473 Name: Bill Wax

Well Drilled For: Oil Gas OWWO Seismic: # of Holes Other Well Class: 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: N/A 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 NW SE SW Sec. 29 Twp. 33 S. R. 18 East West 990 feet from N S Line of Section 1650 feet from E W Line of Section Is SECTION Regular Irregular?

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

County: Labette Lease Name: L. Jones Well #: 29-4 Field Name: Mound Valley South Is this a Prorated / Spaced Field? Yes No Target Formation(s): Cherokee Coals/Sands, Miss Cha/Lime Nearest Lease or unit boundary: 990' 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: 200+ Depth to bottom of usable water: 250+ Surface Pipe by Alternate: 1 2 Length of Surface Pipe Planned to be set: 20 Length of Conductor Pipe required: None Projected Total Depth: 750 Formation at Total Depth: Miss Cha/Lime Water Source for Drilling Operations: Well Farm Pond Other Air DWR Permit #: N/A

(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: August 30, 2006 Signature of Operator or Agent: Title:

RECEIVED SEP 05 2006 KCC WICHITA

For KCC Use ONLY API # 15 - 099-24103-0000 Conductor pipe required None feet Minimum surface pipe required 20 feet per Alt. Approved by: Per 9-6-06/Rev 3-2-07 This authorization expires: 3-6-07 9-6-07 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:

29 33 19E