

For KCC Use:
 Effective Date: 8-28-2001
 District # 4
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

Form C-1
 September 1999
 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 8 23 2001
month day year

OPERATOR: License# 5259
 Name: MAI OIL OPERATIONS, INC.
 Address: P.O. BOX 33
 City/State/Zip: RUSSELL, KS. 67665
 Contact Person: ALLEN BANGERT
 Phone: 785 483 2169

CONTRACTOR: License# 30606
 Name: MURFIN DRILLING CO., INC.

Well Drilled For:	Well Class:	Type Equipment:
<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
<input type="checkbox"/> QWOW	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic: # of Holes	<input type="checkbox"/> Other	<input type="checkbox"/> Cable
<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 East
 West
NW - NW - NW Sec. 27 Twp. 11 S. R. 19
 / 330 feet from S / (N) (circle one) Line of Section
 / 330 feet from E / (W) (circle one) Line of Section
 Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
 County: ELLIS
 Lease Name: VINE Well #: 9
 Field Name: SOLOMON
 Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): ARBUCKLE
 Nearest Lease or unit boundary: 330'
 Ground Surface Elevation: 2075 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: 180'
 Depth to bottom of usable water: 700'
 Surface Pipe by Alternate: 1 2
 Length of Surface Pipe Planned to be set: 200'
 Length of Conductor Pipe required: NONE
 Projected Total Depth: 3595'
 Formation at Total Depth: ARBUCKLE
 Water Source for Drilling Operations:
 Well Farm Pond Other
 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. 55-101, 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. *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: 8-17-2001 Signature of Operator or Agent: Allen Bangert Title: PROD. SUPT.

For KCC Use ONLY
 API # 15 - 051-25106-0000
 Conductor pipe required NONE feet
 Minimum surface pipe required 200 feet per Alt. (2)
 Approved by: JK 8-23-2001
 This authorization expires: 2-23-2002
 (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 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.

RECEIVED
 AUG 20 2001
 KCC WICHITA

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: MAI OIL OPERATIONS, INC.

Lease: VINE

Well Number: 9

Field: SOLOMON

Number of Acres attributable to well: _____

QTR / QTR / QTR of acreage: _____

Location of Well: County: ELLIS

330 feet from S / N (circle one) Line of Section.

330 feet from E / W (circle one) Line of Section

Sec. 27 Twp. 11 S. R. 19 East West

Is Section X Regular or _____ Irregular

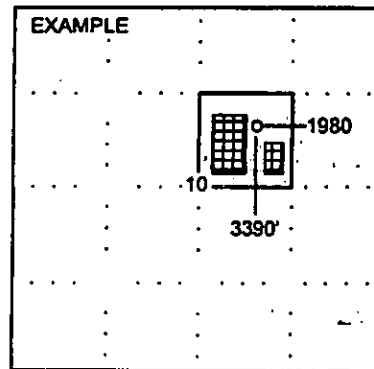
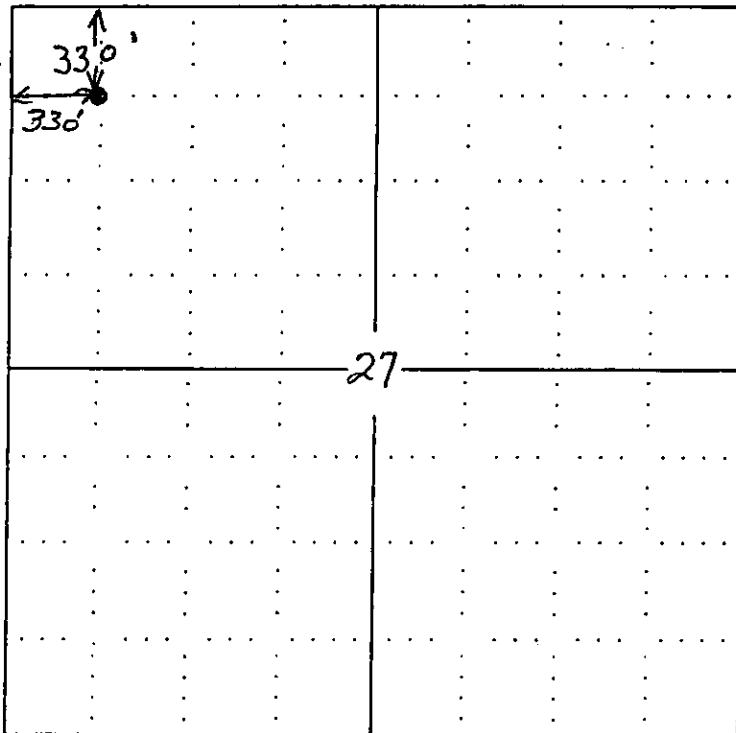
If Section is Irregular, locate well from nearest corner boundary.

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 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; CG-8 for gas wells).



Kansas Corporation Commission

Bill Graves, Governor John Wine, Chair Cynthia L. Claus, Commissioner Brian J. Moline, Commissioner

REQUEST FOR INFORMATION

July 03, 2002

Mai Oil Operations, Inc. -- KCC License # 5259
4514 Cole Ave., STE 804, LB 30
Dallas, TX 75205

RECEIVED

AUG 01 2002

RE: API Well No. 15-051-25106-00-00
VINE 9
NWNWNW, 27-11S-19W
ELLIS County, Kansas

KCC WICHITA

Dear Operator:

According to KCC records, the Intent to Drill approved by the KCC Conservation Division on August 23, 2001, for the well listed above, has expired. The KCC has not received a spud call or an ACO-1 Completion Report on this well.

If drilling operations on the well never commenced, please check, sign and date below and return this letter to the KCC Wichita office in the enclosed return envelope.

Well not drilled: Signature Kurt R. Mai
Date: 7-28-02

If the well has been drilled, please submit the required ACO-1 Completion Report with all attachments for this well along with a copy of this letter to the KCC Wichita office.

In either case please provide the requested information within 30 days from the date of this letter. Pursuant to K.A.R. 82-3-128, failure to respond to this letter with the requested information may result in assessment of a monetary penalty of \$100.00. Failure to file the ACO-1 form, if applicable, may result in assessment of a monetary penalty of \$500.00.

We appreciate your cooperation in this matter. If you have any questions, please contact me at (316) 337-6200.

Very truly yours,

Supervisor
Production Department