

EFFECTIVE DATE: 8-24-99

FORM MUST BE TYPED

DISTRICT # 1

State of Kansas

FORM MUST BE SIGNED

SGA? YES XNo

NOTICE OF INTENTION TO DRILL

ALL BLANKS MUST BE FILLED

Must be approved by the K.C.C. five (5) days prior to commencing well.

Expected Spud Date: September 16 1999
Month Day Year

Spot SE NW NW Sec 13 Twp 20S Rng 25 East X West

OPERATOR: License # 5003
Name: McCoy Petroleum Corporation
Address: P. O. Box 780208
City/State/Zip: Wichita, KS 67278-0208
Contact Person: Steve O'Neill
Phone: (316) 636-2737

4290 feet from South / North line of Section
4290 feet from East / West line of Section
IS SECTION X REGULAR IRREGULAR?
(NOTE: Locate well on the Section Plat on Reverse Side)

CONTRACTOR: License # 5184
Name: Shields Drilling Co., Inc.

County: Ness
Lease Name: Ring "A" Well # 2-13
Field Name: Guzzler's Gulch North

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

Is this a Prorated/Spaced Field? yes X no
Target Formation(s): Mississippi
Nearest lease or unit boundary: 990'
Ground Surface Elevation: 2390 feet MSL

If OWWO: old well information as follows:
Operator: _____
Well Name: _____
Comp. Date: _____ Old Total Depth _____

Water well within one-quarter mile: yes X no
Public water supply well within one mile: yes X no
Depth to bottom of fresh water: 180'
Depth to bottom of usable water: 750'

Directional, Deviated or Horizontal wellbore? yes X no
If yes, true vertical depth _____
Bottom Hole Location _____

Surface Pipe by Alternate: 1 X 2
Length of Surface Pipe Planned to be set: 640'
Length of Conductor Pipe required: None
Projected Total Depth: 4450'

Formation at Total Depth: Mississippi
Water Source for Drilling Operations: well X farm pond other

Permit to be applied for by Drilling Contractor.

Will Cores Be Taken?: yes X 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: 8-18-99 Signature of Operator or Agent: Steven P. O'Neill Title: Petroleum Engineer

FOR KCC USE:
 API # 15- 135-240840000
 Conductor pipe required NONE feet
 Minimum surface pipe required 200 feet per Alt. X(2)
 Approved by: JK 8-19-99
 This authorization expires: 2-19-2000
 (This authorization void if drilling not started within 6 months of effective date.)
 Spud date: _____ Agent: _____

RECEIVED
STATE CORPORATION COMMISSION

AUG 19 1999
8-19-99
CONSERVATION DIVISION
Wichita, Kansas

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 prorations 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.

13
20
252J

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 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.

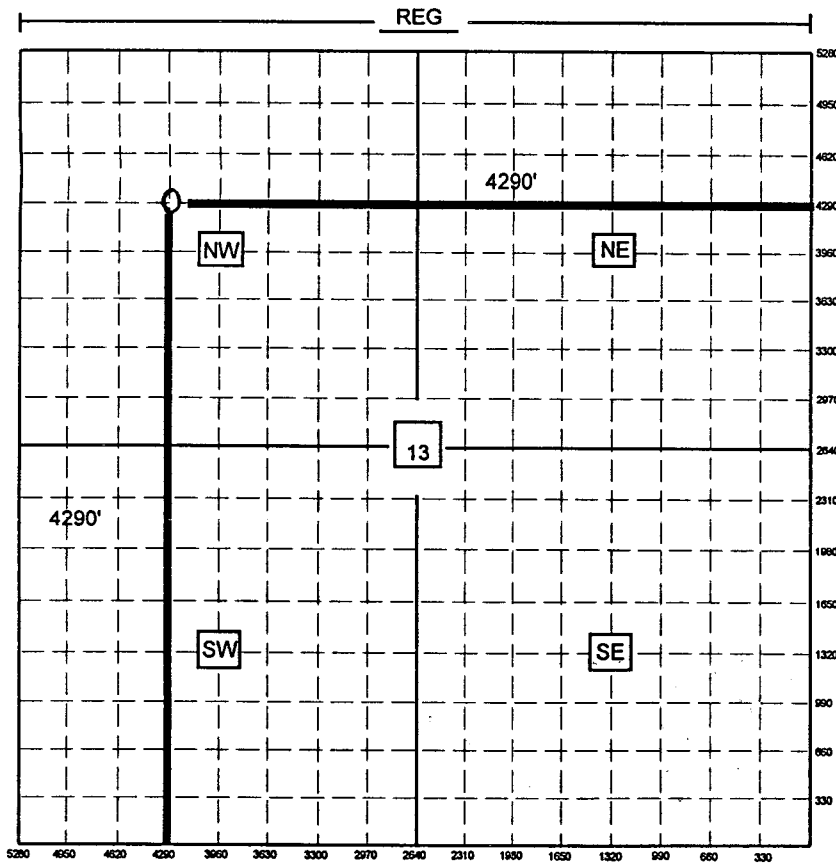
API NO. 15- _____
 OPERATOR McCoy Petroleum Corporation LOCATION OF WELL: COUNTY Ness
 LEASE Ring "A" 4290 feet from south/ north line of section
 WELL NUMBER #2-13 4290 feet from east/ west line of section
 FIELD Guzzler's Gulch North SECTION 13 TWP 20 RG 25W

NUMBER OF ACRES ATTRIBUTABLE TO WELL _____ IS SECTION X REGULAR or _____ IRREGULAR
 QTR/QTR/QTR OF ACREAGE _____ IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.

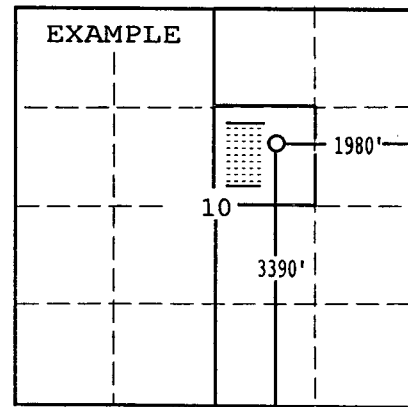
Section corner used: ___ NE ___ NW X SE ___ SW

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.)



Ring "A" #2-13
C SE NW NW
Sec 13-20s-25w
Ness County, 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; and
- 3) the distance to the nearest lease or unit boundary line.

RECEIVED
 STATE COMMISSION
 AUG 19 1955