

FOR KCC USE:

FORM C-1 7/91

EFFECTIVE DATE: 4-25-98

* CORRECTED COPY

FORM MUST BE TYPED

DISTRICT # 1

State of Kansas

6/5/98

FORM MUST BE SIGNED

SGA? YES X No

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: April 24 1998
Month Day Year

Spot *150' E of W/R SW East
Sec 24 Twp 20s Rng 25w X West

OPERATOR: License # 5003
Name: McCoy Petroleum Corporation
Address: 3017 N Cypress
City/State/Zip: Wichita, KS 67226
Contact Person: Corey N. Baker
Phone: (316)636-2737

* 660 1320 feet from South / North line of Section
* 4620 4470 feet from East / West line of Section
IS SECTION X REGULAR IRREGULAR?
(NOTE: Locate well on the Section Plat on Reverse Side)

County: Ness
Lease Name: COPELAND "B" Well # 1-24
Field Name: Guzzlers Gulch South

CONTRACTOR: License # 4958
Name: Mallard JV Inc.

Is this a Prorated/Spaced Field? yes X no
Target Formation(s): Mississippian

Nearest lease or unit boundary: -660' 15:1320
Ground Surface Elevation: 2398 feet MSL

Well Drilled For: Well Class: Type Equipment:

Water well within one-quarter mile: yes X no

X Oil Enh Rec Infield X Mud Rotary
Gas Storage X Pool Ext. Air Rotary
OWWO Disposal Wildcat Cable
Seismic # of Holes Other
Other

Public water supply well within one mile: yes X no

Depth to bottom of fresh water: 180'

Depth to bottom of usable water: 720'

Surface Pipe by Alternate: 1 X 2

Length of Surface Pipe Planned to be set: 200' +

Length of Conductor Pipe required: none

Projected Total Depth: 4500'

Formation at Total Depth: Mississippian

Water Source for Drilling Operations:
well X farm pond other

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

Will Cores Be Taken?: yes X no

If yes, proposed zone: _____

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

* SPOT WAS: C SW SW
SPOT IS: 150' E OF W/R SW

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:

WAS: 660' FSL 4620' FEL
IS: 1320' FSL 4470' FEL

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: 4/17/98 Signature of Operator or Agent: Corey N. Baker Title: Geologist

FOR KCC USE:
 API # 15- 135-240550000
 Conductor pipe required NONE feet
 Minimum surface pipe required 300 feet per Alt. X(2)
 Approved by: JK 4-20-98 / COR 6-9-98 WK
 This authorization expires: 10-20-98
 (This authorization void if drilling not started within 6 months of effective date.)
 Spud date: _____ Agent: _____

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1998 APR 20 P 12:37
4-20-98
24 20 250

MAILED

APR 20 1998

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 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.

EFFECTIVE DATE: 4-25-98

State of Kansas

DISTRICT # 1

NOTICE OF INTENTION TO DRILL

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

SGA? YES X No

Expected Spud Date: April 24 1998
Month Day Year

Spot 150' E of W/2 SW East
1-6 SW SW Sec 24 Twp 20s Rng 25w X West

OPERATOR: License # 5003
Name: McCoy Petroleum Corporation
Address: 3017 N Cypress
City/State/Zip: Wichita, KS 67226
Contact Person: Corey N. Baker
Phone: (316)636-2737

600 1370 feet from South / North line of Section
4620 4770 feet from East / West line of Section
IS SECTION X REGULAR _____ IRREGULAR?
(NOTE: Locate well on the Section Plat on Reverse Side)

CONTRACTOR: License # 4958
Name: Mallard JV Inc.

County: Ness
Lease Name: COPELAND "B" Well # 1-24
Field Name: Guzzlers Gulch South

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): Mississippian
Nearest lease or unit boundary: 660' 1370'

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

Ground Surface Elevation: 2398 feet MSL
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: 720'
Surface Pipe by Alternate: 1 X 2

Length of Surface Pipe Planned to be set: 200' +
Length of Conductor Pipe required: none
Projected Total Depth: 4500'

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

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

Will Cores Be Taken?: yes X no
If yes, proposed zone: _____

AFFIDAVIT

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I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 4/17/98 Signature of Operator or Agent: Corey N. Baker Title: Geologist

FOR KCC USE:
 API # 15- 135-240550000
 Conductor pipe required NONE feet
 Minimum surface pipe required 200 feet per Alt. X(2)
 Approved by: JK 4-20-98
 This authorization expires: 10-20-98
 (This authorization void if drilling not started within 6 months of effective date.)
 Spud date: _____ Agent: _____

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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.

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

PLAT OF ACREAGE ATTRIBUTABLE TO A WELL IN A PRORATED OR SPACED FIELD

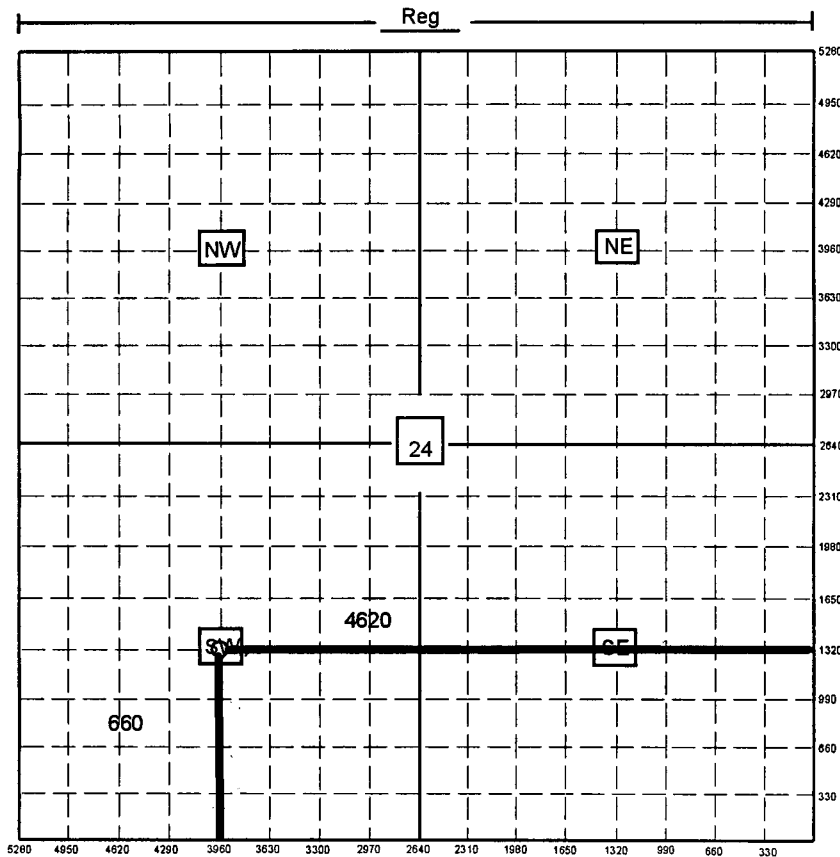
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 COPELAND "B" 660 feet from south/ north line of section
 WELL NUMBER 1-24 4620 feet from east/ west line of section
 FIELD _____ SECTION 24 TWP 20s RG 25w

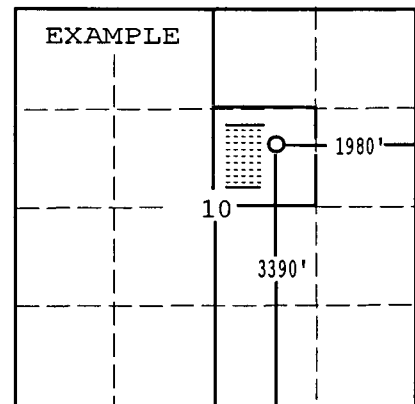
NUMBER OF ACRES ATTRIBUTABLE TO WELL 40 IS SECTION X REGULAR or _____ IRREGULAR
 QTR/QTR/QTR OF ACREAGE _____ SW SW IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.
 Section corner used: _____ NE _____ NW _____ SE _____ SW

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.)



COPELAND "B" 1-24
C SW SW
Sec 24-20s-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.