

FOR KCC USE:

KANSAS CORPORATION COMMISSION

FORM C-1 12/02

EFFECTIVE DATE:

OIL & GAS CONSERVATION DIVISION

FORM MUST BE TYPED

EFFECTIVE DATE: 4-7-04

NOTICE OF INTENT TO DRILL

FORM MUST BE SIGNED

DISTRICT # 3

MUST BE APPROVED BY THE KCC FIVE DAYS PRIOR TO COMMENCING WELL

ALL BLANKS MUST BE FILLED

SGA?  Yes  No

Expected Spud Date ... 4 month ... 6 day ... 2004 year

Spot APNW SE NW SW Sec ..2.. Twp ..23.. S, Rg ..16..  East  West

OPERATOR: License # .....5150.....  
Name: .....COLT ENERGY, INC.....  
Address: .....P O BOX 388.....  
City/State/Zip: .....IOLA, KANSAS, 66749.....  
Contact Person: ..DENNIS KERSHNER.....  
Phone: .....620 365-3111.....

.....1815..... feet from South line of Section  
.....4344..... feet from East line of Section  
IS SECTION  REGULAR  IRREGULAR?

(NOTE: Locate well on the Section Plat on Reverse Side)

CONTRACTOR: License #: ...5989.....  
Name: KURT FINNEY DRILLING.....

County: ....COFFEY.....

Lease Name: ..LIPSEY..... Well #: ..18.....

Field Name: ..NEOSHO FALLS - LEROY.....

Is this a Prorated/Spaced Field? .... yes  no

Target Formation(s): ..SQUIRREL.....

Nearest lease or unit boundary: .....842.....

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: .....25.100 f.....

Depth to bottom of usable water: ..200.....

Surface Pipe by Alternate: .... 1  2

Length of Surface Pipe Planned to be set: ....40.....

Length of Conductor pipe required: .....NONE.....

Projected Total Depth: .....1020.....

Formation at Total Depth: .....SQUIRREL.....

Water Source for Drilling Operations:

..... well  farm pond .... other

Will Cores Be Taken?: .....  yes .... no

If yes, proposed zone: ...SQUIRREL.....

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

If OWWO: old well information as follows:

Operator: .....

Well Name: .....

Comp. Date: ..... Old Total Depth .....

Directional, Deviated or Horizontal wellbore? .... yes  no

If yes, true vertical depth: .....

Bottom Hole Location: .....

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. 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: .....3-31-04..... Signature of Agent: Ann Kershner Title...OFFICE MANAGER.....

FOR KCC USE:  
 API # 15- 031-22011-00-00  
 Conductor pipe required NONE feet  
 Minimum surface pipe required 40 feet per Alt. # (2)  
 Approved by: RJP 4.2.04  
 This authorization expires: 10-3-04  
 (This authorization void if drilling not started within 6 months of effective date.)  
 Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

RECEIVED  
APR 02 2004  
KCC WICHITA

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.

Mail to: Conservation Division, 200 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1286.

Handwritten initials: 12, 25, 16011

**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 \_\_\_\_\_  
 LEASE \_\_\_\_\_  
 WELL NUMBER \_\_\_\_\_  
 FIELD \_\_\_\_\_

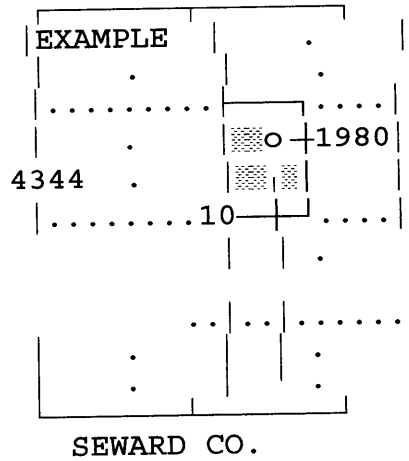
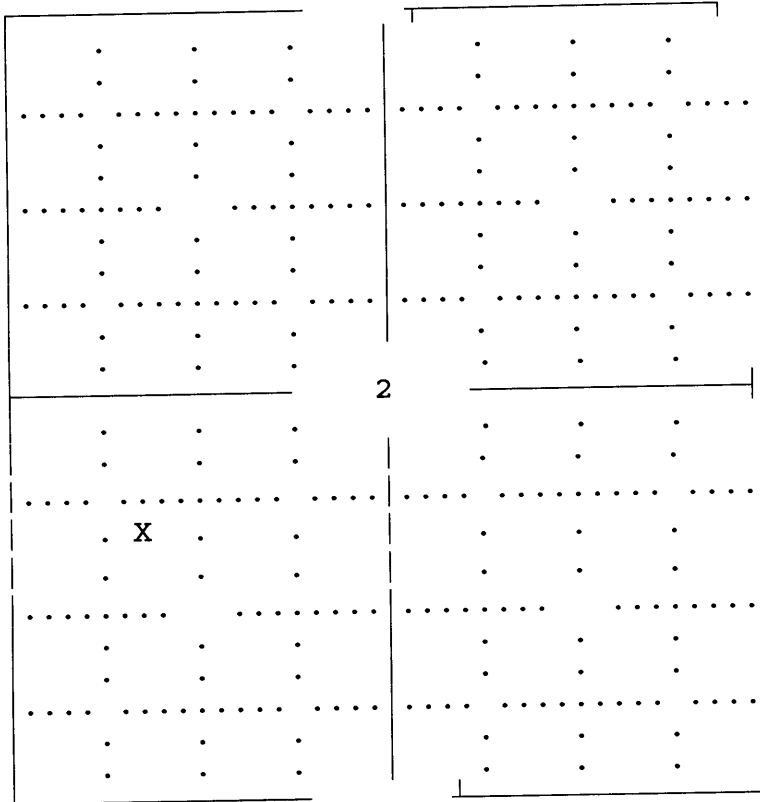
LOCATION OF WELL: COUNTY \_\_\_\_\_  
 \_\_\_\_\_ feet from south/north line of section  
 \_\_\_\_\_ feet from east/west line of section  
 SECTION \_\_\_\_\_ TWP \_\_\_\_\_ RG \_\_\_\_\_

NUMBER OF ACRES ATTRIBUTABLE TO WELL \_\_\_\_\_  
 QTR/QTR/QTR OF ACREAGE \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

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.)



1815

**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).