

FOR KCC USE:

FORM C-1 7/91

EFFECTIVE DATE: 11-6-96

State of Kansas

FORM MUST BE TYPED

DISTRICT # 4

NOTICE OF INTENTION TO DRILL

FORM MUST BE SIGNED

SGA? Yes. No

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

ALL BLANKS MUST BE FILLED

Expected Spud Date November 04 1996 month day year

Spot SE SW NE Sec 14 Twp 2 S Rg 27 East West

OPERATOR: License # 31956 Name: DARK HORSE OIL COMPANY Address: 2543 North Hwy 83, Suite 228 City/State/Zip: Parker, CO 80134 Contact Person: Douglas C. Frickey Phone: 800-876-4482

2310 feet from South (North) line of Section 1650 feet from East West line of Section IS SECTION X REGULAR IRREGULAR?

CONTRACTOR: License #: 30606 Name: MURFIN DRILLING COMPANY

(NOTE: Locate well on the Section Plat on Reverse Side) County: Decatur Lease Name: Long Ranch Well #: 1 Field Name: none Is this a Prorated/Spaced Field? yes X no Target Formation(s): Lansing, Kansas City Nearest lease or unit boundary: 330' Ground Surface Elevation: 2648 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: 225' Depth to bottom of usable water: 240' Surface Pipe by Alternate: 1 X 2 Length of Surface Pipe Planned to be set: 300' Length of Conductor pipe required: Projected Total Depth: 3950' Formation at Total Depth: Arbuckle Water Source for Drilling Operations: X well farm pond other

Well Drilled For: Well Class: Type Equipment: X Oil Enh Rec Infield X Mud Rotary Gas Storage Pool Ext Air Rotary OAWO Disposal X Wildcat Cable Seismic # of Holes Other If OAWO: old well information as follows: Operator: Well Name: Comp. Date: Old Total Depth:

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

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: 10/29/96... Signature of Operator or Agent: Title: Owner

FOR KCC USE: API # 15- 039-20900 0000 Conductor pipe required NONE feet Minimum surface pipe required 275 feet per Alt. X 2 Approved by: JK 11-1-96 This authorization expires: 5-1-97 (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 prorator 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: KCC - Conservation Division, 130 S. Market - Room 207B, Wichita, Kansas 67202.

Handwritten notes: 14, 27W, 10-30-96, 543, 10-30-96, 10-30-96, 10-30-96

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 _____

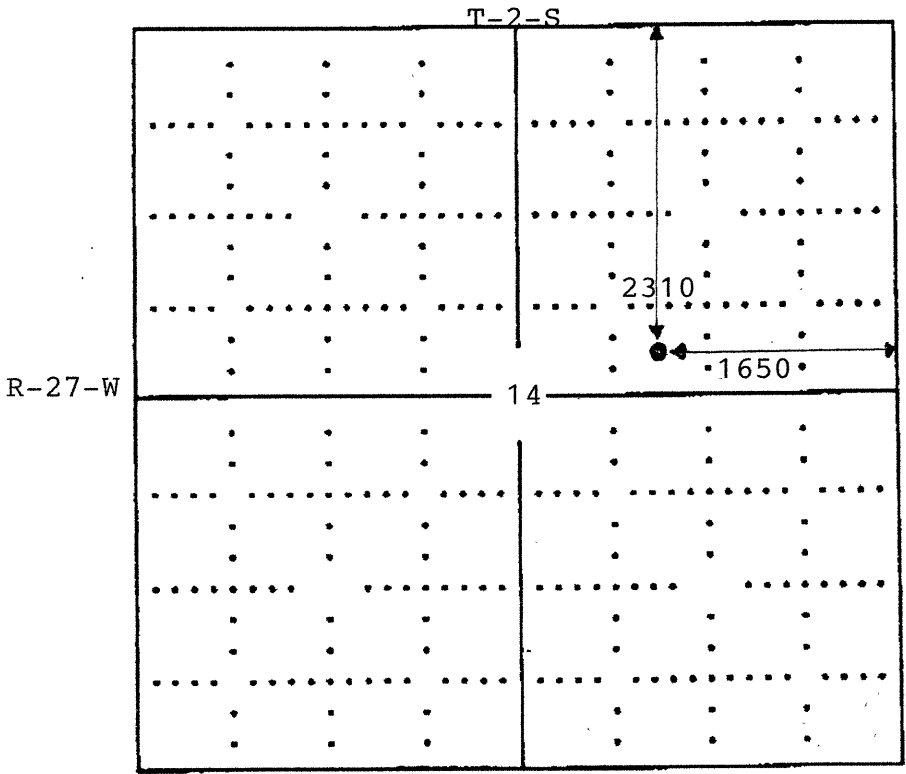
LOCATION OF WELL: COUNTY _____
_____ feet from south/north line of section
_____ feet from east/west line of section
SECTION _____ TWP _____ RG _____

NUMBER OF ACRES ATTRIBUTABLE TO WELL _____
OTR/OTR/OTR OF ACREAGE _____

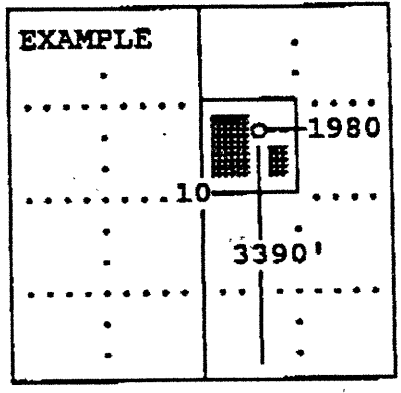
IS SECTION _____ REGULAR or _____ IRREGULAR
IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.
Section corner used: _____ NE _____ NW _____ SE _____ SW

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.)



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SEWARD CO.

DECATUR COUNTY, KANSAS

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.