

EFFECTIVE DATE: 1-9-91

FORM MUST BE TYPED  
FORM C-1 4/90

State of Kansas

NOTICE OF INTENTION TO DRILL

FORM MUST BE SIGNED  
ALL BLANKS MUST BE FILLED

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

Expected Spud Date 1-10-91  
month day year

<sup>MPP</sup> NW SW NE Sec 11 Twp 2 S, Rg 42  East  West

OPERATOR: License # 30201  
Name: HILLIN-SIMON OIL COMPANY  
Address: P. O. BOX 1552  
City/State/Zip: MIDLAND, TX 79702  
Contact Person: STAN VENABLE  
Phone: 915/682-2202

..... 3580 feet from South line of Section  
..... 2640 feet from East line of Section  
(Note: Locate well on Section Plat on Reverse Side)

CONTRACTOR: License #: 30480  
Name: CRANDALL DRILLING, INC

County: CHEYENNE  
Lease Name: Sass 518 Well #: 11-6-2  
Field Name: WILDCAT  
Is this a Prorated Field? yes  no   
Target Formation(s): NIOBRARA  
Nearest lease or unit boundary: 940'  
Ground Surface Elevation: 3645' feet MSL  
Domestic well within 330 feet: yes  no   
Municipal well within one mile: yes  no   
Depth to bottom of fresh water: 180'  
Depth to bottom of usable water: 220'  
Surface Pipe by Alternate:  1  2  
Length of Surface Pipe Planned to be set: 275'  
Length of Conductor pipe required: NONE  
Projected Total Depth: 1750'  
Formation at Total Depth: NIOBRARA  
Water Source for Drilling Operations:  
..... well ..... farm pond  other

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

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

Directional, Deviated or Horizontal wellbore? .... yes  no   
If yes, total depth location: .....

DWR Permit #: .....  
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. The appropriate district office shall be notified before setting surface pipe;
2. The minimum amount of surface pipe as specified above 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;
3. If the well is dry, a plugging proposal shall be submitted to the district office. An agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
4. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
5. 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: 01-03-91 Signature of Operator or Agent: Stan Venable Title: STAFF OPERATIONS ENGINEER

FOR KCC USE:

API # 15- 023-20,304-00-00  
 Conductor pipe required None feet  
 Minimum surface pipe required 275 feet per Alt. (1)  
 Approved by: new 1-4-91  
 EFFECTIVE DATE: 1-9-91  
 This authorization expires: 7-4-91  
 (This authorization void if drilling not started within 6 months of effective date.)  
 Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

STAFF OPERATIONS ENGINEER

11 2 420  
KANSAS CORPORATION COMMISSION  
CONSERVATION DIVISION  
Nichea Keesee  
JAN 4 1991

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.

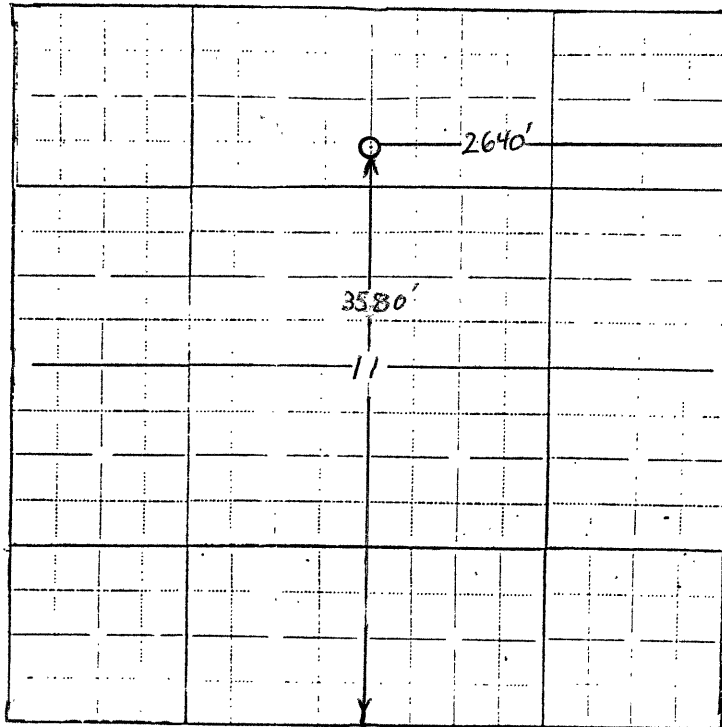
PLAT OF ACREAGE ATTRIBUTABLE TO A WELL

State Corporation Commission, Conservation Division  
200 Colorado Derby Bldg. Wichita, Kansas 67202

OPERATOR HILLIN-SIMON OIL COMPANY LOCATION OF WELL:  
LEASE Sass 518 3580 feet north of SE corner  
WELL NUMBER 11-6-2 2640 feet west of SE corner  
FIELD WILDCAT Sec. 11 T 2S R 42 X/W  
COUNTY CHEYENNE  
NO. OF ACRES ATTRIBUTABLE TO WELL 10 IS SECTION X REGULAR     IRREGULAR?  
DESCRIPTION OF ACREAGE NWSWNE SEC 11 CORNER BOUNDARY.  
IF IRREGULAR, LOCATE WELL FROM NEAREST

NOTE: If plat depicted is insufficient for your circumstances, you may attach your own scaled or surveyed plat.

PLAT



There are no offset drilling units

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 partial sections, 4 sections, 16 sections, etc.;
- 2) the well's location relative to the location of other wells producing from the same common source of supply in adjoining drilling units, pursuant to K.A.R. 82-3-108, 82-3-207, 82-3-312, or special orders of the Commission;
- 3) the distance of the proposed drilling location from the section's east and south lines; and
- 4) the distance to the nearest lease or unit boundary line.

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

Signature of Operator or Agent Stan Venable STAN VENABLE

Date 01-03-91 Title STAFF OPERATIONS ENGINEER