

EFFECTIVE DATE: 12-18-90

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 12-24-90
month day year

NE NE SW 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

.....231.0... feet from South line of Section
.....297.0... 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: Sas. 518 Well #: 11-11-1
Field Name: WILDCAT
Is this a Prorated Field? yes no

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

Target Formation(s): NIOBRARA
Nearest lease or unit boundary: 330'
Ground Surface Elevation: 3670' feet MSL

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

Domestic well within 330 feet: yes no
Municipal well within one mile: yes no
Depth to bottom of fresh water: 150' 180'

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

Depth to bottom of usable water: 220'
Surface Pipe by Alternate: 1 ... 2
Length of Surface Pipe Planned to be set: 250' 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
DWR Permit #:
Will Cores Be Taken?: yes no
If yes, proposed zone:

AFFIDAVIT ** 275' surface pipe required*

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: 12-10-90 Signature of Operator or Agent: Stan Venable Title: STAN VENABLE

FOR KCC USE:

API # 15- 023-20,298-00-00
 Conductor pipe required None feet
 Minimum surface pipe required 275 feet per Alt. (1)
 Approved by: MW 12-13-90
 EFFECTIVE DATE: 12-18-90
 This authorization expires: 6-13-91
 (This authorization void if drilling not started within 6 months of effective date.)
 Spud date: _____ Agent: _____

STAFF OPERATIONS ENGINEER

RECEIVED
STATE CORPORATION COMMISSION
12-12-90
DEC 12 1990

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.

Handwritten marks: vertical lines and numbers (11, 2, 42w)

PLAT OF ACREAGE ATTRIBUTABLE TO A WELL

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

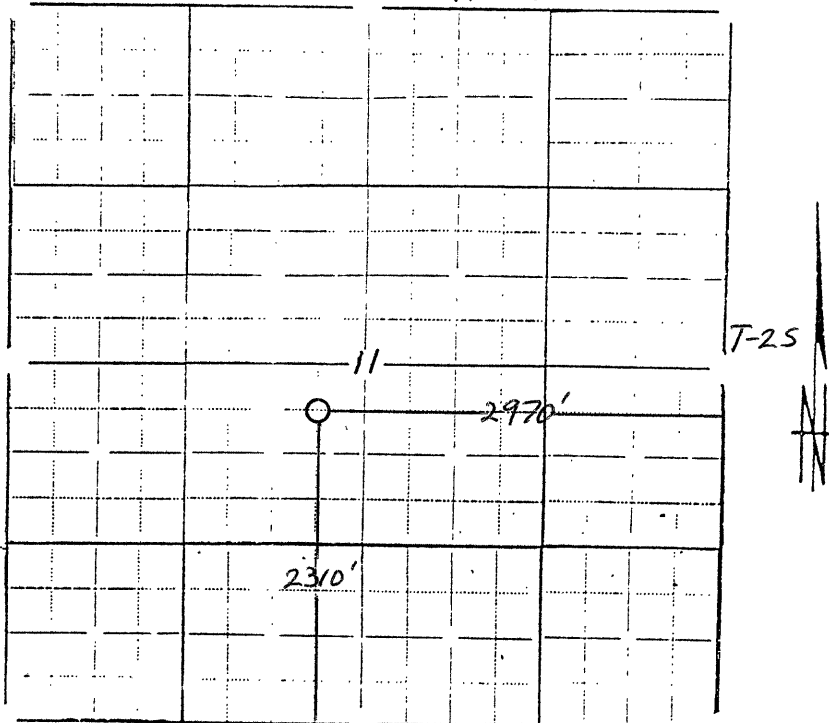
OPERATOR HILLIN-SIMON OIL COMPANY LOCATION OF WELL:
 LEASE Sass 518 2310 feet north of SE corner
 WELL NUMBER 11-11-1 2970 feet west of SE corner
 FIELD WILDCAT Sec. 11 T 2S R 42 ~~E~~/W
 COUNTY CHEYENNE
 NO. OF ACRES ATTRIBUTABLE TO WELL 10 IS SECTION X REGULAR IRREGULAR?
 IF IRREGULAR, LOCATE WELL FROM NEAREST
 DESCRIPTION OF ACREAGE NENESW Sec 11 CORNER BOUNDARY.

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

PLAT R-42 W

330' from
nearest lease
line.

No offsets



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 12-10-90 Title STAFF OPERATIONS ENGINEER