

First
CORRECTED

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

RECEIVED

JUL 16 2004

Form C-1

September 1999

Form must be Typed

Form must be Signed

blanks must be Filled

For KCC Use: 7.21.04
Effective Date: 4
District #: 4
3GA? Yes No

NOTICE OF INTENT TO DRILL
Must be approved by KCC five (5) days prior to commencing well

KCC WICHITA

Expected Spud Date September 1, 2004
month day year

OPERATOR: License# 32639

Name: Coral Production Corporation

Address: 1600 Stout Street, Suite 1500

City/State/Zip: Denver, Colorado 80202

Contact Person: Jim Weber

Phone: (303) 623-3573

CONTRACTOR: License# 30606

Name: Murfin Drilling Company, Inc.

Ap 100' w of
Spot S/2 S/2 N/2 S/2 Sec. 7 Twp. 12 R. 17 East West
1530 feet from S / N (circle one) Line of Section
2540 feet from E / W (circle one) Line of Section
Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Ellis

Lease Name: Seib Well #: 1

Field Name: Bemis-Shutt Yes No

Is this a Prorated / Spaced Field? Yes No

Target Information(s): Arbuckle/Lansing

Nearest Lease or unit boundary: 330

Ground Surface Elevation: 2157 ft est. 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: 180 ft

Depth to bottom of usable water: 800

Surface Pipe by Alternate: 1 X 2

Length of Surface Pipe Planned to be set: 250+ ft

Length of Conductor Pipe required: none

Projected Total Depth: 3550 ft

Producing Formation Target: Arbuckle

Water Source for Drilling Operations:
Well Farm Pond Other

DWR Permit #: _____

(Note: Apply for Permit with DWR)

Will Cores be taken? Yes No

If Yes, proposed zone: _____

X WAS: Terrence Brown #1 IS: Seib #1

X WAS: 2550' IS: 2540' FWL

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: July 13, 2004 Signature of Operator or Agent: Jim R. Weber Title: President

For KCC Use ONLY

API # 15 - 051-25335-00-00

Conductor pipe required NONE feet

Minimum surface pipe required 200 feet per Alt. * ^②

Approved by: RJP 7.16.04 / IRJP 8.25.04

This authorization expires: 1-16-05

(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 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.

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17w