

For KCC Use: 8-31-04  
Effective Date: \_\_\_\_\_  
District #: \_\_\_\_\_  
SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
**NOTICE OF INTENT TO DRILL**

**OWWO**

Form C-1  
December 2002  
Form must be Typed  
Form must be Signed  
All blanks must be Filled

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date September 7, 2004  
month day year

OPERATOR: License# 9860  
Name: Castle Resources Inc.  
Address: PO Box 87  
City/State/Zip: Schoenchen, KS 67667  
Contact Person: Jerry Green  
Phone: 785-625-5155

CONTRACTOR: License# 32810  
Name: Professional Pull Service

Spot \_\_\_\_\_ East  
SW NE NW Sec. 11 Twp. 16 S. R. 17 XX West  
990 feet from  N /  S Line of Section  
1650 feet from  E /  W Line of Section  
Is SECTION \_\_\_\_\_ Regular \_\_\_\_\_ Irregular?

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

County: Rush  
Lease Name: Stegman Well #: 3

Field Name: Basgall Ext (1/4s)

Is this a Prorated / Spaced Field?  Yes  No  
Target Information(s): L-KC

Nearest Lease or unit boundary: 990'  
Ground Surface Elevation: 1993 kb 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: ~~500~~ 180  
Depth to bottom of usable water: ~~100~~ 520

Surface Pipe by Alternate:  1  2  
Length of Surface Pipe ~~Planned to be set:~~ 1132'

Length of Conductor Pipe required: N/A NONE

Projected Total Depth: 3636  
Formation at Total Depth: 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: \_\_\_\_\_

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

If CWVO: old well information as follows:  
Operator: Energy Reserves Group, Inc.  
Well Name: #3 Stegman  
Original Completion Date: 2/25/83 Original Total Depth: 3636

Directional, Deviated or Horizontal wellbore?  Yes  No  
If Yes, true vertical depth: RECEIVED  
Bottom Hole Location: \_\_\_\_\_  
KCC DKT #: AUG 26 2004

**KCC WICHITA**

**AFFIDAVIT**

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 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: 8-24-04 Signature of Operator or Agent: \_\_\_\_\_ Title: President

For KCC Use ONLY

API # 15 - 165-21069-00-01  
Conductor pipe required NONE feet  
Minimum surface pipe required 1132 feet per Alt. 1  
Approved by: RSP 8-26-04  
This authorization expires: 2-26-05  
(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.

If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.

Well Not Drilled - Permit Expired

Signature of Operator or Agent: \_\_\_\_\_  
Date: \_\_\_\_\_

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

11  
16  
17W

**IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW**

*Plat of acreage attributable to a well in a prorated or spaced field*

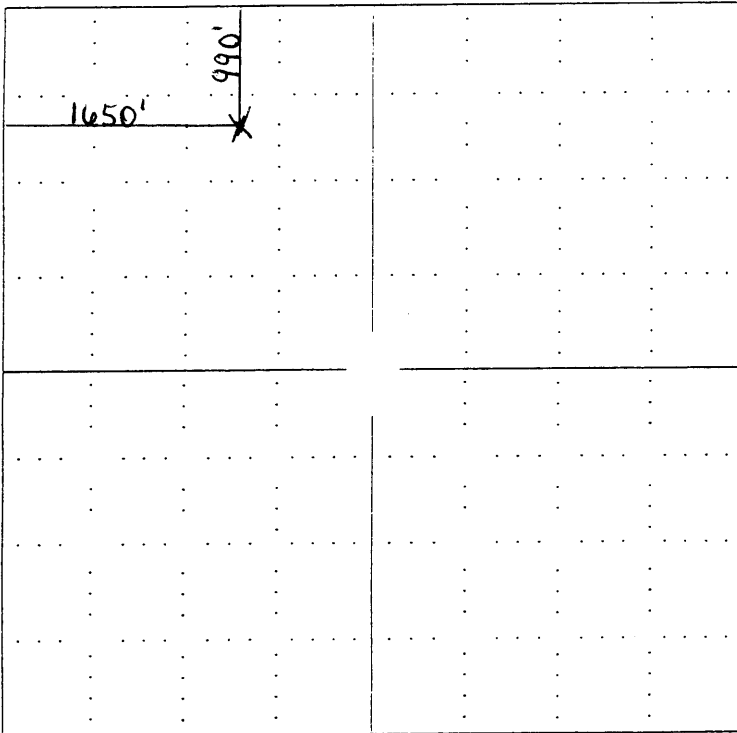
*If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and 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 - 165-21-069  
 Operator: Castle Resources Inc.  
 Lease: Stegman  
 Well Number: 3  
 Field: Basgall Ext (1/4s)  
 Number of Acres attributable to well: \_\_\_\_\_  
 QTR / QTR / QTR of acreage: \_\_\_\_\_

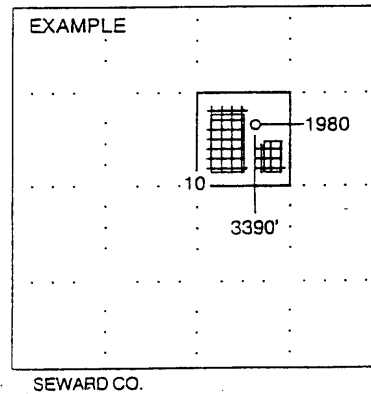
Location of Well: County: Rush  
990 feet from  N /  S Line of Section  
1650 feet from  E /  W Line of Section  
 Sec. 11 Twp. 16 S. R. 17  East  West  
 Is Section:  Regular or  Irregular  
 If Section is Irregular, locate well from nearest corner boundary.  
 Section corner used:  NE  NW  SE  SW

**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.)*



RECEIVED  
 AUG 26 2004  
 KCC WICHITA



**NOTE: In all cases locate the spot of the proposed drilling location.**

**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).