

FOR KCC USE:

FORM C-1 7/91

EFFECTIVE DATE: 3-9-2000

FORM MUST BE TYPED

DISTRICT # 4

State of Kansas

FORM MUST BE SIGNED

SGA? Yes X No

NOTICE OF INTENTION TO DRILL

ALL BLANKS MUST BE FILLED

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

Expected Spud Date 3-25-2000 month day year

Spot Apx. SURFACE LOCATION SE SE NE Sec 26 Twp 3 S, Rg 42 West

OPERATOR: License # 5238 Name: Petroleum, Inc. Address: 301 N. Main, Suite 1300 City/State/Zip: Wichita, Kansas 67202-4813 Contact Person: Rick Olmsted Phone: 316-291-8273

2200 feet from North line of Section 150 feet from East line of Section IS SECTION XX REGULAR IRREGULAR?

(NOTE: Locate well on the Section Plat on Reverse Side)

CONTRACTOR: License #: ADVISE ON ACO-1 Name:

County: Cheyenne Lease Name: Zwegardt Gas Unit Well #: 2-26H Field Name: Cherry Creek

Is this a Prorated/Spaced Field? yes XX no

Target Formation(s): Niobrara

Nearest lease or unit boundary: 150' FWL

Ground Surface Elevation: 3690 feet MSL

Water well within one-quarter mile: yes XX no

Public water supply well within one mile: yes XX no

Depth to bottom of fresh water: 250'

Depth to bottom of usable water: 250'

Surface Pipe by Alternate: XX 1 2

Length of Surface Pipe Planned to be set: 275' 300 MIN.

Length of Conductor pipe required: Not required

Projected Total Depth: 5088

Formation at Total Depth: Niobrara

Water Source for Drilling Operations: well farm pond XX other

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

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

Directional, Deviated or Horizontal wellbore? XX yes no If yes, true vertical depth: 1480' Bottom Hole Location: 400' FNL & 1650' FWL SEC 26-3-42W

Will Cores Be Taken? yes XX no

If yes, proposed zone:

DOCKET No. 195,475 - C (C-28,725)

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: 1-27-2000 Signature of Operator or Agent: Rick Olmsted Title: Geologist

FOR KCC USE: API # 15- 023-20365-0100 Conductor pipe required NONE feet Minimum surface pipe required 300 feet per Alt. (1) Approved by: JK 3-2-2000 This authorization expires: 9-2-2000 (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.

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

26 3 42W

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 Petroelum, Inc.
 LEASE Zweygardt
 WELL NUMBER #2-26H
 FIELD _____

LOCATION OF WELL: COUNTY Cheyenne
 _____ feet from south/north line of section
2200
 _____ feet from east/west line of section
150
 SECTION 26 TWP _____ 3S RG _____ 42W

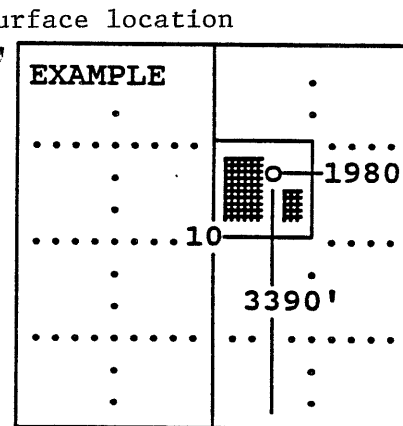
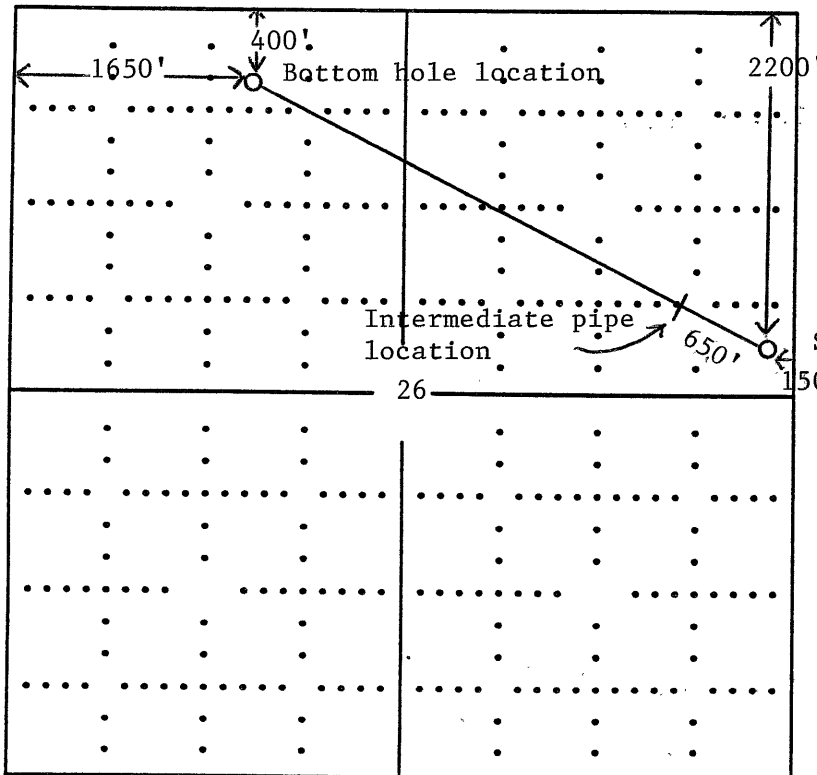
NUMBER OF ACRES ATTRIBUTABLE TO WELL 640
 QTR/QTR/QTR OF ACREAGE _____ - _____ - _____

IS SECTION X 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.)



SEWARD CO.

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.