

For KCC Use: 1-27-2001
 Effective Date: _____
 District #: 4
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

Form C-1
 September 1999
 Form must be Typed
 Form must be Signed
 All blanks must be Filled

NOTICE OF INTENT TO DRILL

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

Expected Spud Date 1/28/01
 month day year

OPERATOR: License# 6622
 Name: Jason Oil Company
 Address: P. O. Box 701
 City/State/Zip: Russell, KS 67665-0701
 Contact Person: Jim Schoenberger
 Phone: 785-483-4204

CONTRACTOR: License# 30606
 Name: Murfin Drilling Co., Inc.

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

If OWWO: old well information as follows:
 Operator: _____
 Well Name: _____
 Original Completion Date: _____ Original Total Depth: _____

Directional, Deviated or Horizontal wellbore? Yes No
 If Yes, true vertical depth: _____
 Bottom Hole Location: _____
 KCC DKT #: _____

Spot _____ East
 NW - NW - NW Sec. 4 Twp. 3 S. R. 41 West
 330 feet from S (N) (circle one) Line of Section
 330 feet from E (W) (circle one) Line of Section
 Is SECTION Regular Irregular?
 (Note: Locate well on the Section Plat on reverse side)
 County: Cheyenne
 Lease Name: Walters Well #: 1
 Field Name: _____
 Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): LKC
 Nearest Lease or unit boundary: 330'
 Ground Surface Elevation: 2987' -? est 3650 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: 300'
 Depth to bottom of usable water: 300'
 Surface Pipe by Alternate: X 1 2
 Length of Surface Pipe Planned to be set: 350'
 Length of Conductor Pipe required: NONE
 Projected Total Depth: 5100'
 Formation at Total Depth: Marmaton
 Water Source for Drilling Operations:
 Well _____ Farm Pond _____ Other X
 DWR Permit #: _____
 (Note: Apply for Permit with DWR)
 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. 55-1101 and 55-1102. 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 completion.
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: 1/18/01 Signature of Operator or Agent: Shauna Dimpfelman Title: Agent

For KCC Use ONLY
 API # 15 - 023-20394-0000
 Conductor pipe required NONE feet
 Minimum surface pipe required 350 feet per Alt. (1)
 Approved by: JK 1-22-2001
 This authorization expires: 7-22-2001
 (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

RECEIVED
 KANSAS CORPORATION COMMISSION
 JAN 19 2001
 CONSERVATION DIVISION

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3
417

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 - _____
 Operator: _____
 Lease: _____
 Well Number: _____
 Field: _____
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: NW - NW - NW

Location of Well: County: Cheyenne
 330 _____ feet from S (N) (circle one) Line of Section
 330 _____ feet from E (W) (circle one) Line of Section
 Sec. 4 _____ Twp. 3 _____ S. R. 41 _____ East West

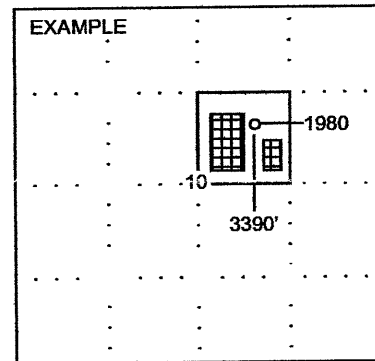
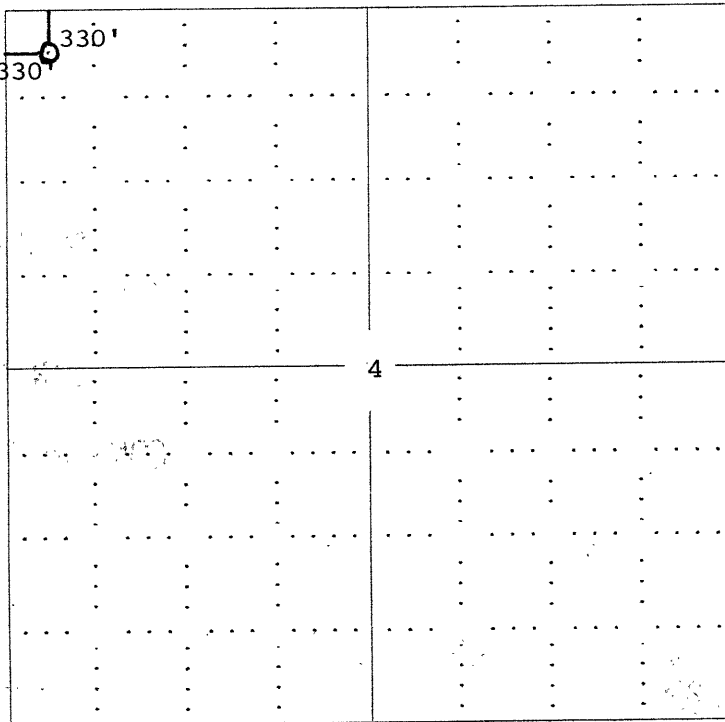
Is Section Regular or _____ Irregular

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.)*



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: (C0-7 for oil wells; CG-8 for gas wells).