

EFFECTIVE DATE: 2-6-91

"OWWO"

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 ... February ... 6 ... 1991 ...  
month day year

... C SE. NW. Sec 27. Twp 3. S, Rg 42. X East West ✓  
..... 3300' ..... feet from South line of Section ✓  
..... 3300' ..... feet from East line of Section ✓  
(Note: Locate well on Section Plat on Reverse Side)

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 ..... ✓

County: ..... CHEYENNE ..... ✓  
Lease Name: Raile ..... Well #: 1-27 ..... ✓  
Field Name: WILDCAT ..... ✓  
Is this a Prorated Field? ... yes .. X no ✓  
Target Formation(s): NIOBRARA ..... ✓  
Nearest lease or unit boundary: ..... 660' ..... ✓  
Ground Surface Elevation: ..... 3683 ..... feet MSL ✓  
Domestic well within 330 feet: ... yes X.. no ✓  
Municipal well within one mile: ... yes X.. no ✓  
Depth to bottom of fresh water: 240' ..... ✓  
Depth to bottom of usable water: 260' ..... ✓  
Surface Pipe by Alternate: ... X 1 ..... 2 ✓  
Length of Surface Pipe Planned to be set: ..... 302' ..... ✓  
Length of Conductor pipe required: NONE ..... ✓  
Projected Total Depth: ..... 1750' ..... ✓  
Formation at Total Depth: NIOBRARA ..... ✓  
Water Source for Drilling Operations:  
... well .... farm pond .. X other ✓  
DWR Permit #: ..... ✓  
Will Cores Be Taken?: ..... yes X.. no ✓  
If yes, proposed zone: ..... ✓

CONTRACTOR: License #: 30480 ..... ✓  
Name: CRANDALL DRILLING, INC ..... ✓

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

If OWWO: old well information as follows:  
Operator: Cabot Energy Company ..... ✓  
Well Name: Raile 1-27 ..... ✓  
Comp. Date: 4-12-89 Old Total Depth 5330' ..... ✓

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

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. 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: 01-31-91 ..... Signature of Operator or Agent: Stan Venable ..... Title: STAN VENABLE

FOR KCC USE: 15-023-20271-00-01  
API # 15- 023-20,251-A  
Conductor pipe required None feet  
Minimum surface pipe required 285 feet per Alt. 1  
Approved by: MPW 2-1-91  
EFFECTIVE DATE: 2-6-91  
This authorization expires: 8-1-91  
(This authorization void if drilling not started within 6 months of effective date.)  
Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

STAFF OPERATIONS  
ENGINEER

21 3 42W  
STATE OPERATIONS DIVISION  
CONSERVATION DIVISION  
Wichita, Kansas  
2-1-91  
FEB 4 1991

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.

PLAT OF ACREAGE ATTRIBUTABLE TO A WELL

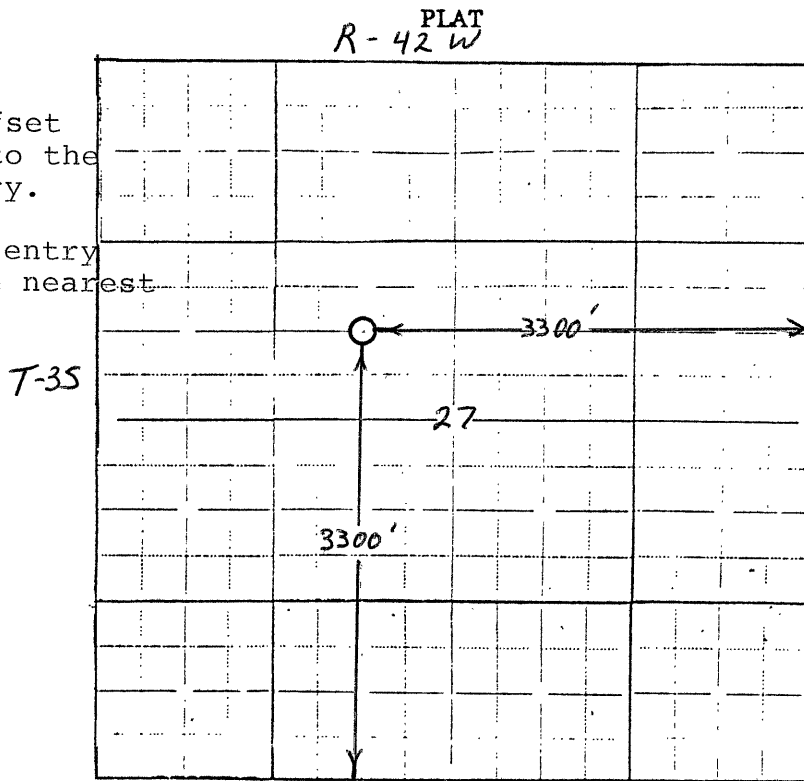
State Corporation Commission, Conservation Division  
200 Colorado Derby Bldg. Wichita, Kansas 67202

OPERATOR HILLIN-SIMON OIL COMPANY LOCATION OF WELL:  
 LEASE Raile 3300 feet north of SE corner  
 WELL NUMBER 1-27 3300 feet west of SE corner  
 FIELD WILDCAT CSENW Sec. 27 T 3S R 42 X/W  
 COUNTY CHEYENNE  
 NO. OF ACRES ATTRIBUTABLE TO WELL 40 IS SECTION X REGULAR     IRREGULAR?  
 IF IRREGULAR, LOCATE WELL FROM NEAREST  
 DESCRIPTION OF ACREAGE CSENW Sec 27 CORNER BOUNDARY.

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

There are no offset drilling units to the proposed re-entry.

The proposed re-entry is 660' from the nearest lease line



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 01-31-91 Title STAFF OPERATIONS ENGINEER