

For KCC Use:
Effective Date: 10-6-04
District #: 1
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 October 1 2004
month day year

OPERATOR: License# 3581
Name: Red Oak Energy, Inc.
Address: 7701 E. Kellogg, #710
City/State/Zip: Wichita, KS 67207
Contact Person: Kevin C. Davis
Phone: 316-652-7373

CONTRACTOR: License# 30606
Name: Murfin Drilling Company

Well Drilled For: Oil Gas OWO Seismic; # of Holes Other
Well Class: Enh Rec Storage Disposal Other
Type Equipment: Mud Rotary Air Rotary 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 #: _____

RECEIVED

SEP 30 2004

* UNIT DECLARATION ATTACHED.

KCC WICHITA

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 offwell;
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: 9/27/04 Signature of Operator or Agent: Kevin C. Davis Title: President

For KCC Use ONLY

API # 15 - 071-20801-00-00
Conductor pipe required NONE feet
Minimum surface pipe required 320' feet per Alt. X(2)
Approved by: DPW 10-1-04
This authorization expires: 4-1-05
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

Spot N/2 - NE - NW Sec. 23 Twp. 16 S. R. 42 East West
* 120 feet from S / (N) (circle one) Line of Section
2140 feet from E / (W) (circle one) Line of Section
Is SECTION Regular Irregular?

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

County: Greeley
Lease Name: Barbara/Young Well #: 1
Field Name: Sydney

Is this a Prorated / Spaced Field? Yes No

Target Information(s): Mississippian

Nearest Lease or unit boundary: 330' ? See'?

Ground Surface Elevation: 3800 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: 280'

Depth to bottom of usable water: 1850'

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 320'

Length of Conductor Pipe Required: None

Projected Total Depth: 200'

Producing Formation Target: MORROW

Water Source for Drilling Operations: SP15

Well Farm Pond Other

DWR Permit #: _____

(Note: Apply for Permit with DWR)

Will Cores be taken? Yes No

If Yes, proposed zone: _____

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 prorations 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

23
16
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 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: _____ - _____ - _____

Location of Well: County: Greeley

120 feet from S / N (circle one) Line of Section
2140 feet from E / W (circle one) Line of Section
 Sec. 23 Twp. 16 S. R. 42 East West

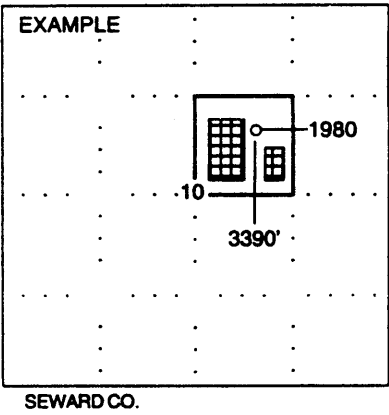
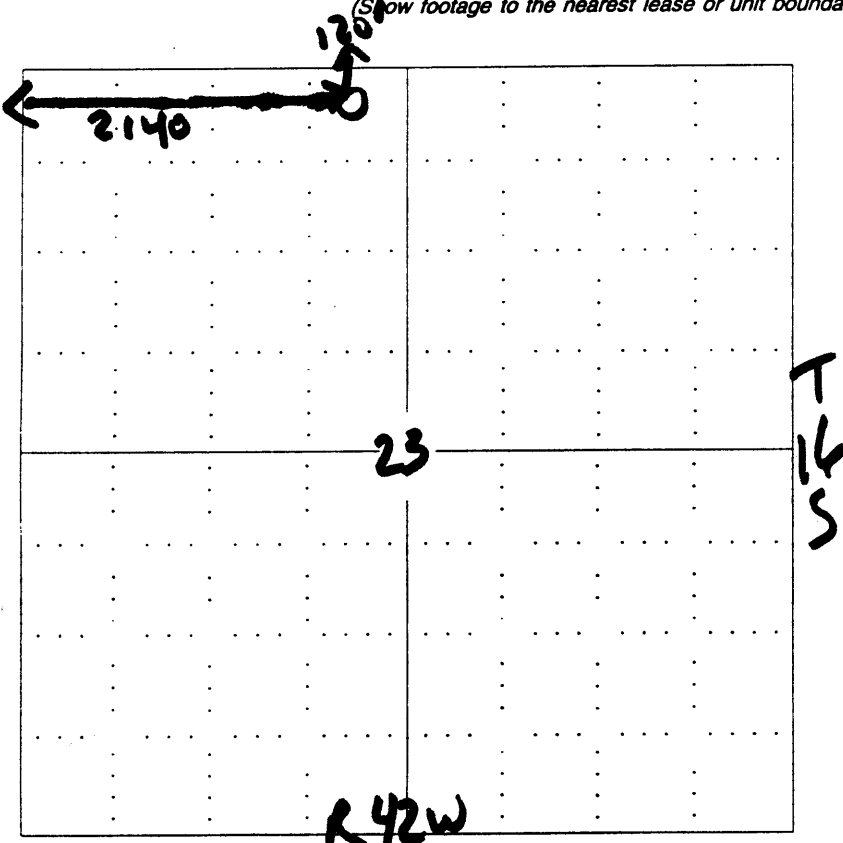
Is Section X Regular or _____ Irregular

If Section is Irregular, locate well from nearest corner boundary.
 Section corner used: ___NE X 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: (CO-7 for oil wells; CG-8 for gas wells).