

FOR KCC USE:

EFFECTIVE DATE: 6-21-98  
DISTRICT # 4  
SGA? ... Yes  No

State of Kansas  
NOTICE OF INTENTION TO DRILL

FORM C-1 7/91  
FORM MUST BE TYPED  
FORM MUST BE SIGNED  
ALL BLANKS MUST BE FILLED

EXPIRED PERMIT

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

Expected Spud Date 6 29 98  
month day year

Spot  SW - NE - SW... Sec 3 Twp 5 S, Rg 18  East West

OPERATOR: License # 31779  
Name: Enerstar Resources  
Address: P.O. Box 606  
City/State/Zip: Carlsbad, New Mexico 88220  
Contact Person: Tommy Folsom  
Phone: 505-885-8302

1650 feet from South North line of Section  
3630 feet from East West line of Section  
IS SECTION  REGULAR  IRREGULAR?

CONTRACTOR: License # 9431  
Name: Vonfeldt Drilling, Inc.

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

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

Lease Name: Ferguson Well #: 3-1  
Field Name: (SW 4 IS UN-NAMED)

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

Is this a Prorated/Spaced Field? ... yes  no  
Target Formation(s): ARB

Directional, Deviated or Horizontal wellbore? ... yes  no  
If yes, true vertical depth: \_\_\_\_\_  
Bottom Hole Location: \_\_\_\_\_

Nearest lease or unit boundary: 990'  
Ground Surface Elevation: 1933 EST 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: 180'  
Depth to bottom of usable water: 860'

Surface Pipe by Alternate: 1  2  
Length of Surface Pipe Planned to be set: 200'

Length of Conductor pipe required: 0  
Projected Total Depth: 3300'

Formation at Total Depth: ARB  
Water Source for Drilling Operations:

... well  farm pond ... other

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. 55-101, 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: 6-12-98 Signature of Operator or Agent: Ashley Payne Title: Agent

FOR KCC USE:  
API # 15- 147-205860000  
Conductor pipe required NONE feet  
Minimum surface pipe required 200 feet per Alt.  (2)  
Approved by: JK 6-16-98  
This authorization expires: 12-16-98  
(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 207B, Wichita, Kansas 67202.

3  
5  
1812

**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.

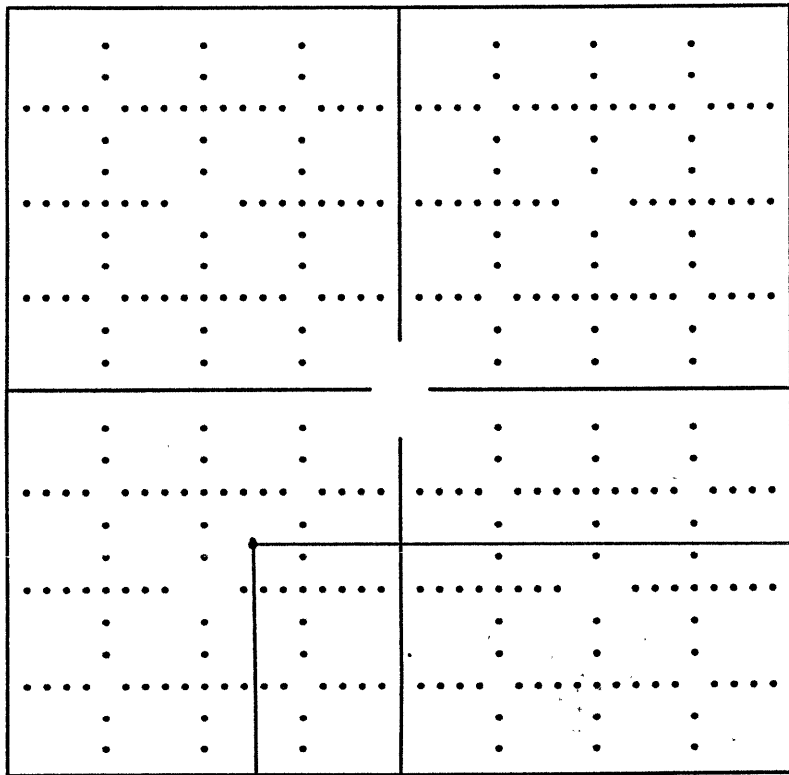
API NO. 15- \_\_\_\_\_  
 OPERATOR \_\_\_\_\_ LOCATION OF WELL: COUNTY \_\_\_\_\_  
 LEASE \_\_\_\_\_ feet from south/north line of section \_\_\_\_\_  
 WELL NUMBER \_\_\_\_\_ feet from east/west line of section \_\_\_\_\_  
 FIELD \_\_\_\_\_ SECTION \_\_\_\_\_ TWP \_\_\_\_\_ RG \_\_\_\_\_

NUMBER OF ACRES ATTRIBUTABLE TO WELL \_\_\_\_\_ IS SECTION \_\_\_\_\_ REGULAR or \_\_\_\_\_ IRREGULAR  
 QTR/QTR/QTR OF ACREAGE \_\_\_\_\_ **IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.**

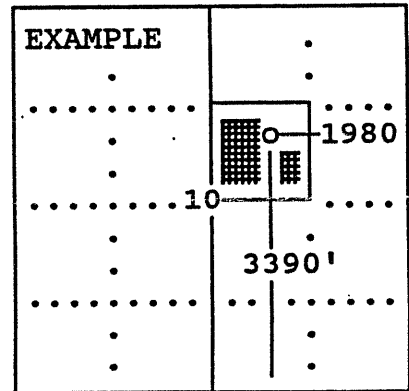
Section corner used: \_\_\_\_\_ NE \_\_\_\_\_ NW \_\_\_\_\_ SE \_\_\_\_\_ SW

**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.)



1650' FSL



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.