

Effective Date: 6-12-05  
District #: 4  
AGA?  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 July 3 2005  
month day year

Spot  East  
NW - NE - NW Sec. 2 Twp. 12 S. R. 18  West  
400 feet from 5 / N (circle one) Line of Section  
1625 feet from 1 / W (circle one) Line of Section  
Is SECTION  Regular  Irregular?

OPERATOR: License# 32639  
Name: Coral Production Corporation  
Address: 1600 Stout Street, Suite 1500  
City/State/Zip: Denver, Colorado 80202  
Contact Person: Jim Weber  
Phone: (303) 623-3573

(Note: Locate well on the Section Plat on reverse side)  
County: Ellis  
Lease Name: Mildred Walters Well #: 1  
Field Name: Bemis-Shutts

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

Is this a Prorated / Spaced Field?  Yes  No

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

Target Information(s): Arbuckle/Lansing  
Nearest Lease or unit boundary: 400 feet  
Ground Surface Elevation: 2110 est feet MSL

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

Water well within one-quarter mile:  Yes  No  
Public water supply well within one mile:  Yes  No

Directional, Deviated or Horizontal wellbore?  Yes  No

Depth to bottom of fresh water: 180 feet  
Depth to bottom of usable water: 800 feet

If Yes, true vertical depth: \_\_\_\_\_

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

Bottom Hole Location: \_\_\_\_\_

Length of Conductor Pipe required: none  
Projected Total Depth: 3575 feet

CC DKT #: \_\_\_\_\_

Producing Formation Target: Arbuckle  
Water Source for Drilling Operations:  
Well \_\_\_\_\_ Farm Pond  Other \_\_\_\_\_

DWR Permit #: \_\_\_\_\_  
(Note: Apply for Permit with DWR )

Will Cores be taken?  Yes  No

If Yes, proposed zone: \_\_\_\_\_

AFFIDAVIT

RECEIVED

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:

JUN - 6 2005

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.

KCC WICHITA

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: June 1, 2005 Signature of Operator or Agent: [Signature] Title: President

For KCC Use ONLY

API # 15 - 051-25424-00-00  
Conductor pipe required NONE feet  
Minimum surface pipe required 200 feet per Alt. 1  2  
Approved by: RSPG-7-05  
This authorization expires: 12-7-05  
(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.

**IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW**

*Plat of acreage attributable to a well in a prorated or spaced field*

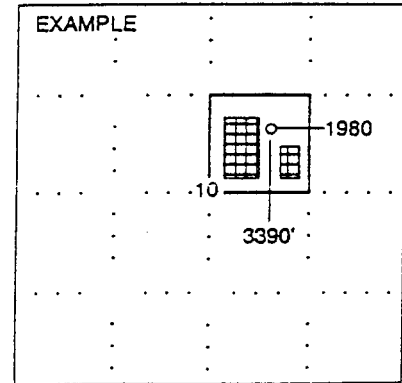
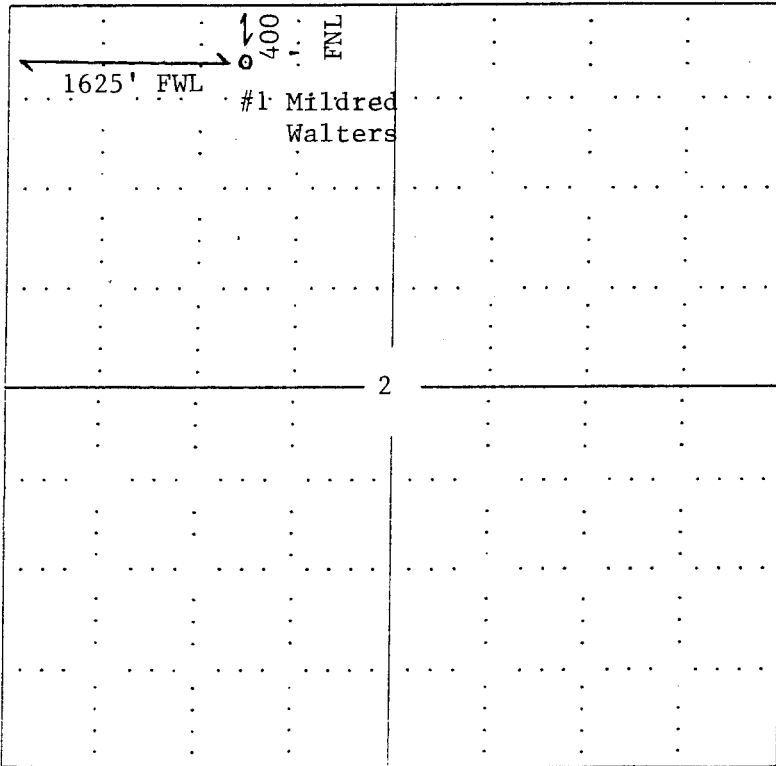
*If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. 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: \_\_\_\_\_  
 \_\_\_\_\_ feet from S / N (circle one) Line of Section  
 \_\_\_\_\_ feet from E / W (circle one) Line of Section  
 Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  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.)*



SEWARD CO.

**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).