

For KCC Use: 12-25-02
 Effective Date: 3
 District #: 3
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

CORRECTED 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 12-26-02
 month day year

Spot NW - NW - SW Sec. 26 Twp. 19 S. R. 19 East West

OPERATOR: License# 33138
 Name: Meritage KCM Exploration, LLC
 Address: 1600 Broadway - Suite 1360
 City/State/Zip: Denver, CO 80202
 Contact Person: Jeff Vaughan
 Phone: 303-832-7463

2310 feet from S (circle one) Line of Section
330 feet from F/W (circle one) Line of Section
 Is SECTION Regular Irregular?

CONTRACTOR: License# 5831
 Name: Mokat

(Note: Locate well on the Section Plat on reverse side)
 County: Anderson
 Lease Name: Garrison Well #: SWD 27-13
 Field Name: WC

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

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Arbuckle Dolomite (Disposal)
 Nearest Lease or unit boundary: 330'
 Ground Surface Elevation: 996' 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: 80'
 Depth to bottom of usable water: 120'
 Surface Pipe by Alternate: 1 2

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

Length of Surface Pipe Planned to be set: 20' Minimum
 Length of Conductor Pipe required: None
 Projected Total Depth: 1700'
 Formation at Total Depth: Arbuckle

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

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: _____

WAS: WELL # SWD 27-13
 DEC 20 2002

AFFIDAVIT IS: WELL # SWD 26-13.

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: 12-20-02 Signature of Operator or Agent: Jeff Vaughan Title: Vice President

For KCC Use ONLY
 API # 15 - 003 24222-00-00
 Conductor pipe required NONE feet
 Minimum surface pipe required 20 feet per Alt. ②
 Approved by: RJP 12-20-02 / DPW 4-12-06
 This authorization expires: 6-20-03
 (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

26
19
19E

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: Meritage KCM Exploration, LLC
Lease: Garrison
* Well Number: SWD 27-13 26-13
Field: WC

Location of Well: County: Anderson
2310 feet from S N (circle one) Line of Section
330 feet from E W (circle one) Line of Section
Sec. 26 Twp. 19 S. R. 19 East West

Number of Acres attributable to well: _____
QTR / QTR / QTR of acreage: NW - NW - SW

Is Section Regular or _____ Irregular

If Section is Irregular, locate well from nearest corner boundary.

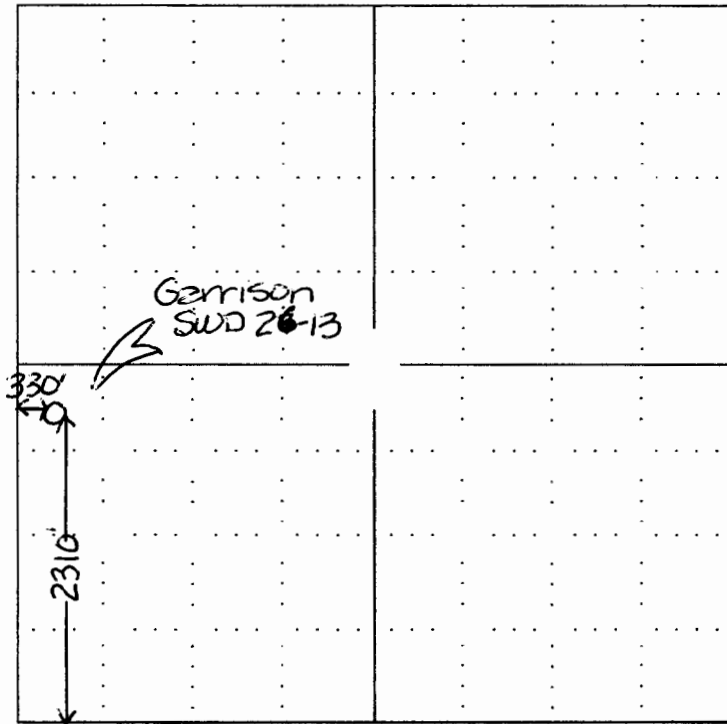
Section corner used: ___NE ___NW ___SE ___SW

was: SWD 27-13 Is: SWD 26-13

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.)



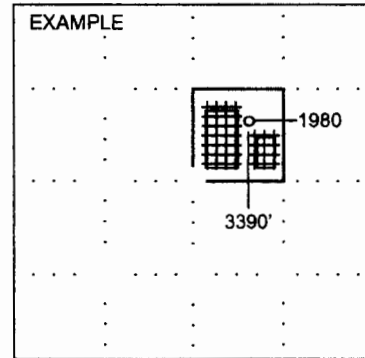
NOTE: In all cases locate the spot of the proposed drilling location.

RECEIVED
KANSAS CORPORATION COMMISSION

DEC 20 2002

CONSERVATION DIVISION
WICHITA, KS

CORRECTED



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.
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).