

FOR KCC USE:

FORM C-1 7/91

EFFECTIVE DATE

1-27-93

State of Kansas

FORM MUST BE TYPED

DISTRICT# 4

NOTICE OF INTENTION TO DRILL

FORM MUST BE SIGNED

SGA?...Yes...No

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

ALL BLANKS MUST BE FILLED

EXPECTED SPUD DATE: 01 27 93 month day year

Spot SW NW SW Sec 13 Twp 08 S, Rg 17 WW WEST

Operator: License#: 30730 Name: HORIZONTAL DEV. & PROD. INC Address: TOWN & COUNTRY VILL. SUITE #277 City/State/Zip: PALO ALTO CA. 94301 Contact Person: MIKE STERNBERG Phone: 415-325-6980

1650 feet from (South) / North Line of Section 1950 feet from (East) / West Line of Section IS SECTION XX REGULAR IRREGULAR?

CONTRACTOR: License # 08241 Name: EMPHASIS OIL OPERATIONS

NOTE: Locate well on the Section Plat on Reverse Side

COUNTY: ROOKS

LEASE NAME: CHESNEY WELL#: B-1

Field Name: MEDICINE CREEK Wildcat

Is this a Prorated/Spaced Field? yes XX no

Target Formation(s): LANSING KC

Nearest lease or unit boundary: 330

Ground Surface Elevation: 1950 EST feet MSL

Water well within one-quarter mile: yes XX no

Public water supply well within one mile: yes XX no

Depth to bottom of fresh water: 45

Depth to bottom of usable water: 250 950

Surface Pipe by Alternate: 1 XX 2

Length of Surface Pipe Planned to be set: 200

Length of Conductor Pipe required: NONE

Projected Total Depth: 3450

Formation at Total Depth: LANSING KC

Water Source for Drilling Operations: well XX farm pond other

DWR Permit# Will Cores Be Taken? yes XX no

If yes, proposed zone:

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

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

Directional, Deviated or Horizontal wellbore? yes XX no

If yes, true vertical depth:

Bottom Hole 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. 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 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: 01/21/93 Signature of Operator or Agent: [Signature] Title: AGENT SEARCH INC., 316-265-5415

732

RECEIVED KANSAS CORPORATION COMMISSION CONSERVATION DIVISION WICHITA, KS JAN 21 1993

FOR KCC USE: API # 15- 163-23219-00-00 Conductor Pipe required 1100 feet Minimum surface pipe required 200 feet per Alt. X @ Approved by: CB 1-22-93 This Authorization expires: 7-22-93 (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 hour 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: Conservation Division, 200 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1286.

13 08 1710

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 _____
 LEASE _____
 WELL NUMBER _____
 FIELD _____

LOCATION OF WELL: COUNTY _____
 _____ feet from (South) / North Line of Section
 _____ feet from (East) / West line of section
 SECTION _____ TWP _____ RG _____

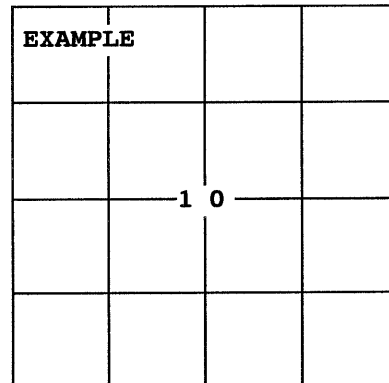
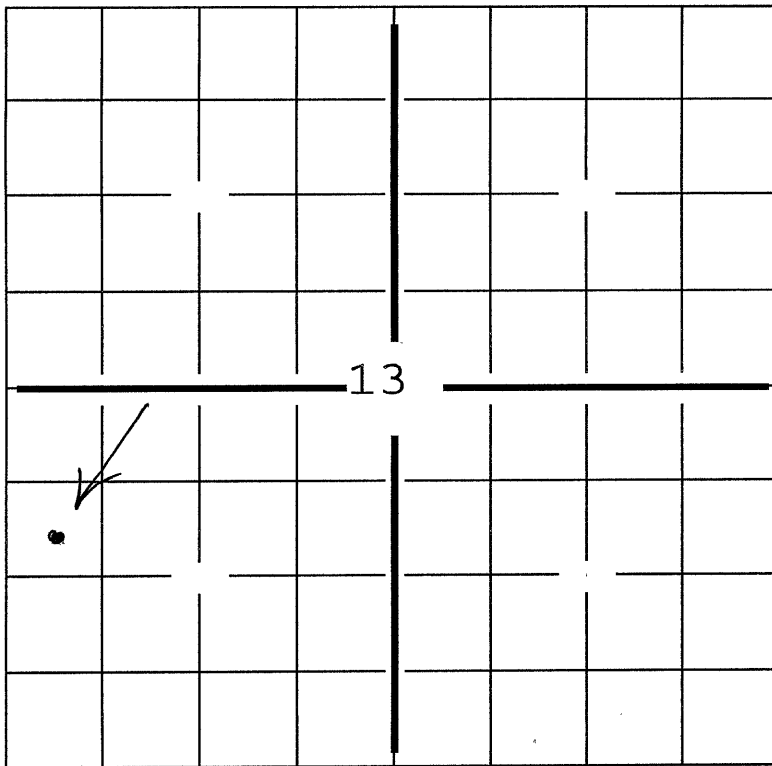
ACRES ATTRIBUTABLE TO WELL _____
 QTR/QTR/QTR OF ACREAGE -- -- --

IS SECTION XX 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.

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 lines; and
- 3) the distance to the nearest lease or unit boundary line.