

FOR KCC USE:

EFFECTIVE DATE: 4-16-2001

DISTRICT # 4

SEAL... Yrs. X No

State of Kansas

NOTICE OF INTENTION TO DRILL

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

FORM C-1 7/91

FORM MUST BE TYPED

FORM MUST BE SIGNED

ALL BLANKS MUST BE FILLED

Expected Spud Date 4 18 2001
month day year

Spot SE SW SW Sec 14 Top 10 S, Rg 15 East West

OPERATOR: License # 3956
Name: Brungardt Oil & Leasing, Inc.
Address: P.O. Box 871
City/State/Zip: Russell, Kansas 67665
Contact Person: Gary L. Brungardt
Phone: 785-483-4975

330 feet from South North line of Section
990 feet from East West line of Section
IS SECTION X REGULAR IRREGULAR

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

Lease Name: Wedel Well #: #1
Field Name: Ruggels

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

CONTRACTOR: License #: 5184
Name: Shields Oil Producers, Inc.

Nearest lease or unit boundary: 330
Ground Surface Elevation: 1895 feet MSL

Table with columns: Well Drilled For, Well Class, Type Equipment. Includes rows for Oil, Gas, OWWO, Seismic, etc.

Water well within one-quarter mile: yes X no
Public water supply well within one mile: yes X no

Depth to bottom of fresh water: 50' 180'
Depth to bottom of usable water: 450' 600' DAKOTA

Surface Pipe by Alternate: 1 X 2
Length of Surface Pipe Planned to be set: 230

Length of Conductor pipe required: None
Projected Total Depth: 3600

Formation at Total Depth: Arbuckle
Water Source for Drilling Operations: well X farm pond other

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

DWR Permit #:
Will Cores Be Taken?: yes X no
If yes, proposed zone:

Directional, Deviated or Horizontal wellbore? yes X 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 be in accordance with K.S.A. 55-101, et. seq.

It is agreed that the following minimum requirements will be met:

RECEIVED STATE CORPORATION COMMISSION 3-30-01 MAR 30 2001 CONSERVATION DIVISION

- 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...
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 IS 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: 3-28-2001 Signature of Operator or Agent: Gary L. Brungardt Title: Owner

FOR KCC USE: API # 15- 141-20350-0000
Conductor pipe required NONE feet
Minimum surface pipe required 200 feet per Alt. X(2)
Approved by: 4-11-2001
This authorization expires: 10-11-2001
(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 ACD-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: Conservation Division, 200 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1286.

14
10
15W

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 _____

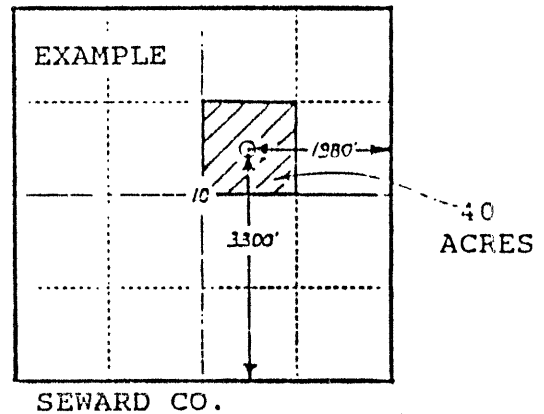
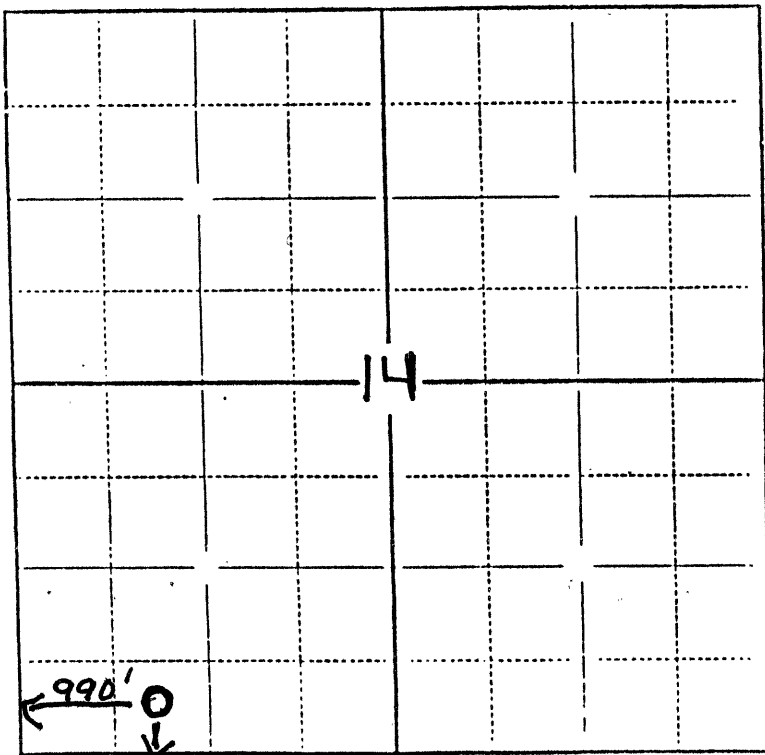
LOCATION OF WELL: COUNTY _____
 _____ feet from south/north line of section
 _____ feet from east/west line of section
 SECTION _____ TWP _____ RG _____

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

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.)



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.