

12-31-07
CORRECTED

For KCC Use:
Effective Date: 12-24-07
District # _____
SGA? ☐ Yes ☒ No

REVISED
KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Form C-1
December 2002
Form must be Typed
Form must be Signed
All blanks must be Filled

Expected Spud Date January 5, 2008
month day year

OPERATOR: License# 6044
Name: Stelbar Oil Corporation, Inc.
Address: 1625 N. Waterfront Parkway
City/State/Zip: Wichita, KS 67206
Contact Person: Roscoe L. Mendenhall
Phone: 316 / 264-8378

CONTRACTOR: License# 5142
Name: Sterling Drilling Company

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

If OWWO: old well information as follows:

Operator: _____
Well Name: _____
Original Completion Date: _____ Original Total Depth: _____

Directional, Deviated or Horizontal wellbore? ☐ Yes ☒ No

If Yes, true vertical depth: _____

Bottom Hole Location: _____

KCC DKT #: _____

Spot
SW/4 NW/4 NE/4 Sec. 24 Twp. 30 S. R. 41 East
☒ West
770' 700' feet from ☒ N / ☐ S Line of Section
2180' feet from ☒ E / ☐ W Line of Section
Is SECTION ☒ Regular ☐ Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Stanton
Lease Name: Armstrong Well #: 3-24

Field Name: _____

Is this a Prorated / Spaced Field? ☐ Yes ☒ No

Target Formation(s): Morrow

Nearest Lease or unit boundary: 460'

Ground Surface Elevation: 3,342' 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: 260 Ft.

Depth to bottom of usable water: 620 Ft.

Surface Pipe by Alternate: ☒ 1 ☐ 2

Length of Surface Pipe Planned to be set: 1700 FT.

Length of Conductor Pipe required: None

Projected Total Depth: 5600 Ft.

Formation at Total Depth: Mississippian

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: _____

PRORATED & SPACED: HUGOTON

AFFIDAVIT

RECEIVED
KANSAS CORPORATION COMMISSION

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.

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

12-31-07 WAS: 770' FNL
IS: 700' FNL

DEC 19 2007

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.

Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. **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: December 18, 2007

Signature of Operator or Agent: Roscoe L. Mendenhall

Roscoe L. Mendenhall

Title: Petroleum Engineer

For KCC Use ONLY

API # 15 - 187-2111-0000

Conductor pipe required: None feet

Minimum surface pipe required: 640 feet per Alt. 1

Approved by: Per 12-19-07 / Per 12-31-07

This authorization expires: 12-19-08

(This authorization void if drilling not started within 12 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.

☐ Well Not Drilled - Permit Expired

Signature of Operator or Agent: _____

Date: _____

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KANSAS CORPORATION COMMISSION

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

DEC 31 2007

CONSERVATION DIVISION
WICHITA, KS