

EFFECTIVE DATE: 3-23-91

FORM MUST BE TYPED
FORM C-1 4/90

State of Kansas
NOTICE OF INTENTION TO DRILL

FORM MUST BE SIGNED
ALL BLANKS MUST BE FILLED

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

Expected Spud Date: 03/19/91 C E/2 SE Sec 36 Twp 08 S Rg 17 WW East West

OPERATOR: License # 8735 1320 feet from South Line of Section 660 feet from East Line of Section (Note: Locate well on Section Plat on Reverse Side)

Name: S & M OIL
Address: 205 N. JEFFERSON
City/State/Zip: PLAINVILLE KS 67663
Contact Person: STEVE CRAWFORD
Phone: (913) 434-2829

County: ROOKS
Lease Name: TED HRABE Well# 7
Field Name: UNKNOWN

CONTRACTOR: License # 4083
Name: WESTERN KANSAS DRILLING

Is this a Prorated Field? yes XX no
Target Formation(s): ARBUCKLE
Nearest lease or unit boundary: 660
Ground Surface Elevation: N/A feet MSL
Domestic well within 330 feet: yes XX no
Municipal well within one mile: yes XX no
Depth to bottom of fresh water: 105-100
900-950
Depth to bottom of usable water: 200
Surface Pipe by Alternate: 1 XX 2
Length of Surface Pipe Planned to be set: 200
Length of Conductor Pipe required: *****
Projected Total Depth: 3400
Formation at Total Depth: ARBUCKLE
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 Inj XX Infield XX Mud Rotary
Gas Storage Pool Ext Air Rotary
OWWO Disposal Wildcat Cable
Seismic; # of Holes

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, total depth 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. The appropriate district office shall be notified before setting surface pipe;
- 2. The minimum amount of surface pipe as specified above 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;
- 3. If the well is dry, a plugging proposal shall be submitted to the district office. An agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
- 4. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
- 5. 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: 03/18/91 Signature of Operator or Agent: Title: AS AGENT

FOR KCC USE:
API # 15- 163-23,154,0000
Conductor Pipe required None feet
Minimum surface pipe required 200 feet per Alt. (2)
Approved by: MW 3-18-91
EFFECTIVE DATE: 3-23-91
This authorization expires: 4-18-91
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: Agent:

RECEIVED
STATE CORPORATION COMMISSION
3/18/91
MAR 18 1991
CONSERVATION DIVISION
Wichita, Kansas

W A K N

REMEMBER TO:

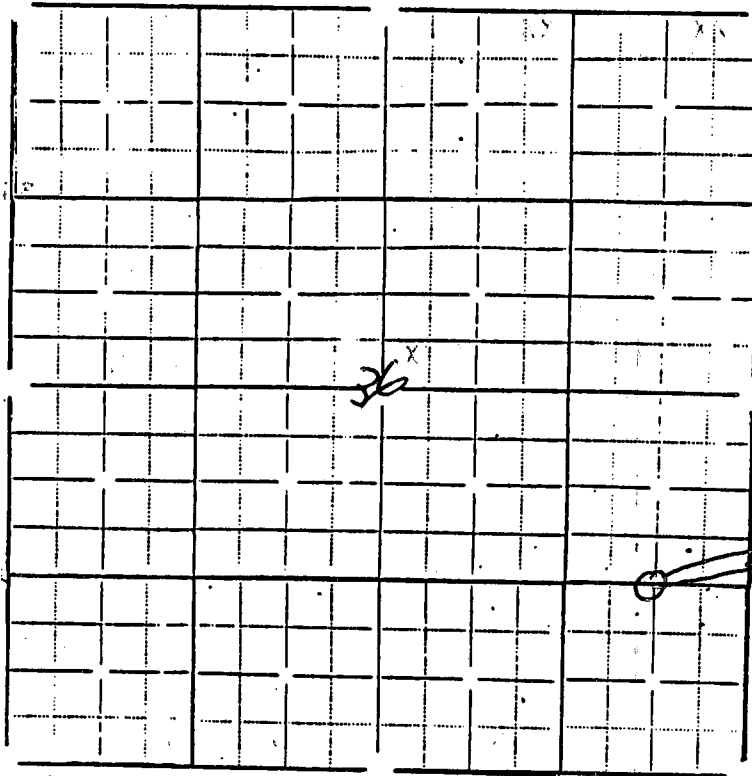
- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.

State Corporation Commission, Conservation Division
200 Colorado Derby Bldg. Wichita, Kansas 67202

OPERATOR S & M OIL LOCATION OF WELL: 3818
 LEASE TED HBARF 1320 feet north of SE corner
 WELL NUMBER 7 660 feet west of SE corner
 FIELD UNKNOWN SE Sec 36 102 T811 R7NS E/W
 COUNTY ROOKS
 NO. OF ACRES ATTRIBUTABLE TO WELL _____ IS SECTION REGULAR OR IRREGULAR?
 DESCRIPTION OF ACREAGE SE IF IRREGULAR, LOCATE WELLS FROM NEAREST
 CORNER BOUNDARY.

NOTE: If plat depicted is insufficient for your circumstances, you may attach your own scaled or surveyed plat.

PLAT



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 partial sections, 4 sections, 16 sections, etc.;
- 2) the well's location relative to the location of other wells producing from the same common source of supply in adjoining drilling units, pursuant to K.A.R. 82-3-108, 82-3-207, 82-3-312, or special orders of the Commission;
- 3) the distance of the proposed drilling location from the section's east and south lines; and
- 4) the distance to the nearest lease or unit boundary line.

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

Signature of Operator or Agent [Signature]

Date 03/18/91 Title Search, Inc. AS AGENT

316-256-5415