

FOR KCC USE:

FORM C-1 7/91

FORM MUST BE TYPED

FORM MUST BE SIGNED

ALL BLANKS MUST BE FILLED

EFFECTIVE DATE: 2-21-96

State of Kansas

DISTRICT # 4

NOTICE OF INTENTION TO DRILL

SGA? Yes No

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

Expected Spud Date 2-28-96
month day year

Spot 150' W SE-SE-SW Sec 32 Twp 8 S, Rg 31W East West

OPERATOR: License # 4629
Name: Brito Oil Company, Inc.
Address: 120 S. Market, Suite 300
City/State/Zip: Wichita, KS 67202
Contact Person: Raul F. Brito
Phone: 316 263-8787
Fax: 316 262-4504

330' FSL feet from South North line of Section
2160' FWL feet from East / West line of Section
IS SECTION X REGULAR IRREGULAR?

CONTRACTOR: License #: 5420
Name: White & Ellis Drilling

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

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

Lease Name: Grover Well #: 1-32
Field Name: wildcat

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

Is this a Prorated/Spaced Field? yes X no
Target Formation(s): Lans, Miss, Cherokee

Directional, Deviated or Horizontal wellbore? yes X no
If yes, true vertical depth:
Bottom Hole Location:

Nearest lease or unit boundary: 330'
Ground Surface Elevation: Est. 3035 feet MSL

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: 285'
Depth to bottom of usable water: 1720'

Surface Pipe by Alternate: 1 X 2
Length of Surface Pipe Planned to be set: 340'

Length of Conductor pipe required: none
Projected Total Depth: 4800'

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

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

AFFIDAVIT

RECEIVED

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with Kansas Conservation Division 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.

FEB 16 1996
02-16-1996
CONSERVATION DIVISION
WICHITA, KS

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

Date: 2-15-96 Signature of Operator or Agent: _____ Title: President

FOR KCC USE:
API # 15- 193-206450000
Conductor pipe required NONE feet
Minimum surface pipe required 335 feet per Alt. X 2
Approved by: JK 2-16-96

This authorization expires: 8-16-96
(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.

32
8
317

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.

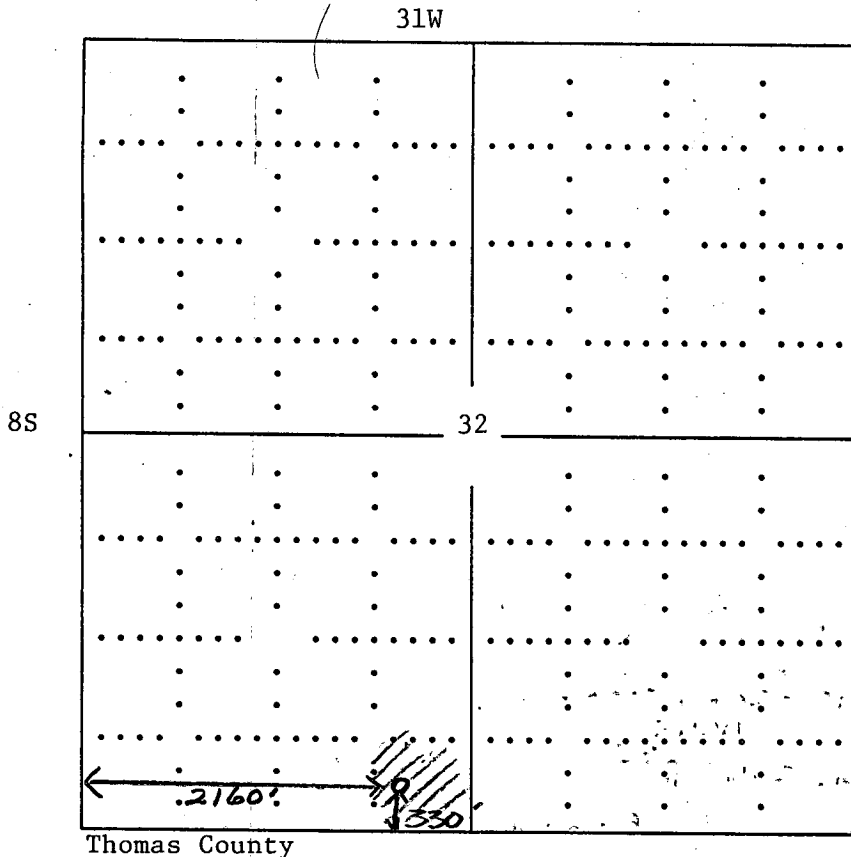
API NO. 15- _____
 OPERATOR Brito Oil Company, Inc. LOCATION OF WELL: COUNTY Thomas
 LEASE Grover 330' FSL feet from south/north line of section
 WELL NUMBER #1-32 2160 FWL feet from east/west line of section
 FIELD _____ SECTION 32 TWP 8S RG 31W

NUMBER OF ACRES ATTRIBUTABLE TO WELL 10 IS SECTION X REGULAR or _____ IRREGULAR
 QTR/QTR/QTR OF ACREAGE 150'W SE SE - SW **IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.**

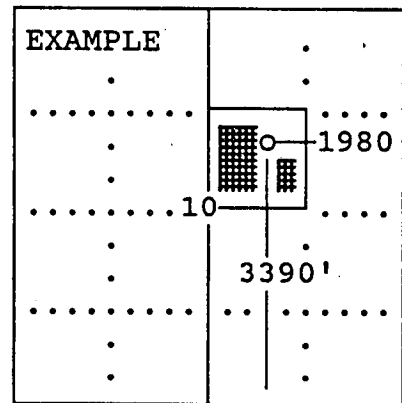
Section corner used: _____ NE _____ NW _____ SE _____ SW

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.)



Thomas County



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