

First
CORRECTED
 9-24-02
 Form C-1
 September 1999
 Form must be Typed
 Form must be Signed
 All blanks must be Filled

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

For KCC Use:
 Effective Date: 8-4-02
 District #: 4
 SGA? Yes No

RECEIVED
 JUL 25 2002
 KCC WICHITA

Expected Spud Date 7 30 2002
 month day year

Spot East
 West
 SW NW NE Sec. 15 Twp. 10 S. R. 21
950 feet from (N) (circle one) Line of Section
2560 feet from (E) (circle one) Line of Section
 Is SECTION Regular Irregular?

OPERATOR: License# 5135
 Name: John O. Farmer, Inc.
 Address: P.O. Box 352
Russell, KS 67665
 City/State/Zip:
 Contact Person: John O. Farmer IV
 Phone: 785-483-3144

(Note: Locate well on the Section Plat on reverse side)
 County: Graham
 Lease Name: McVey/Cook Well #: Unit #1
 Field Name: Wildcat
 Is this a Prorated / Spaced Field? Yes No

CONTRACTOR: License# 30606
 Name: Murfin Drilling Co.

Target Formation(s): L/KC, Arbuckle
 Nearest Lease or unit boundary: 330' to unit boundary
 Ground Surface Elevation: 2194 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: 150
 Depth to bottom of usable water: 980
 Surface Pipe by Alternate: 1 2
 Length of Surface Pipe Planned to be set: 200'
 Length of Conductor Pipe required: NA
 Projected Total Depth: 3800'
 Formation at Total Depth: Arbuckle
 Water Source for Drilling Operations:
 Well Farm Pond Other
 DWR Permit #: _____

Well Drilled For:	Well Class:	Type Equipment:
<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Mud Rotary
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> OWWO	<input type="checkbox"/> Disposal	<input type="checkbox"/> Cable
<input type="checkbox"/> Seismic;	<input checked="" type="checkbox"/> Wildcat	
<input type="checkbox"/> Other	<input type="checkbox"/> # of Holes	
	<input type="checkbox"/> Infield	
	<input type="checkbox"/> Pool Ext.	
	<input type="checkbox"/> Other	

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 #: _____

* WAS: 1035 FNL, 2460 FEL, AP SW SW NW NE
 IS: 950 FNL, 2560 FEL, AP W/2 SW NW NE

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 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.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.
 Date: 7/23/02 Signature of Operator or Agent: John O. Farmer IV Title: Vice President

For KCC Use ONLY
 API # 15: 065-22851-00-06
 Conductor pipe required: NONE feet
 Minimum surface pipe required: 200 feet per Alt. **(2)**
 Approved by: RJP 7-30-02 / RJP 9-24-02
 This authorization expires: 1-30-03
 (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.

RECEIVED
 SEP 24 2002
 09-24-2002
 KCC WICHITA

15
 10
 21W

RECEIVED

JUL 25 2002

KCC WICHITA

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 and 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: John O. Farmer, Inc.
Lease: McVey Cook Unit
Well Number: #1
Field: Wildcat

Location of Well: County: Graham
935 feet from S N (circle one) Line of Section
2560 feet from E / W (circle one) Line of Section
Sec. 15 Twp. 10 S. R. 21 East West

Number of Acres attributable to well: 40
QTR / QTR / QTR of acreage: Ap SW NW NE

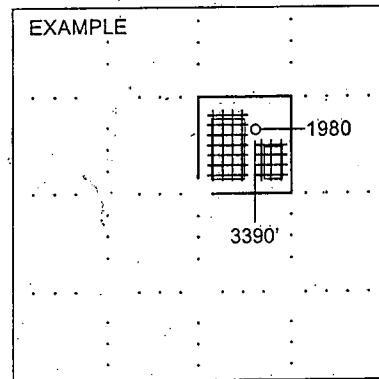
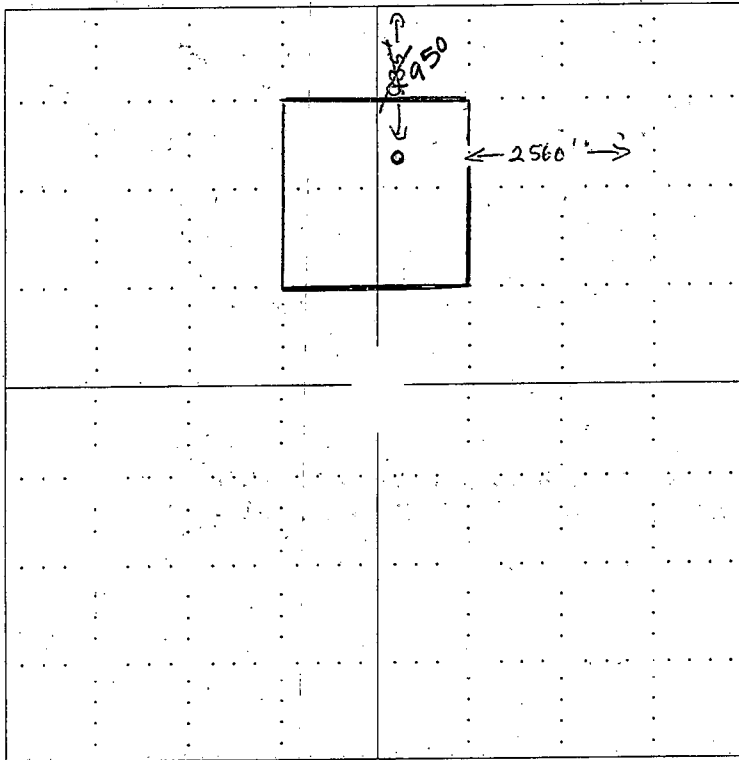
Is Section Regular or Irregular

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.)



SEWARD CO.

NOTE: In all cases locate the spot of the proposed drilling location.

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.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG-8 for gas wells).

15.065-22851.0000

DECLARATION OF UNITIZATION

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, John O. Farmer, Inc., is the owner of the following described oil and gas leases, to-wit:

- 1. An oil and gas lease dated March 30, 2001, from Harold V. Lewis, et ux., lessors, to John O. Farmer, Inc., lessee, and recorded in Book 198 at page 45 in the office of the Register of Deeds of Graham County, Kansas, and having a primary term of five years;

An oil and gas lease dated March 29, 2001, from Mary Anne McVey, et vir., lessors, to John O. Farmer, Inc., lessee, and recorded in Book 198 at page 47 in the office of the Register of Deeds of Graham County, Kansas, and having a primary term of five years;

known as the Lewis-McVey Lease and covering the following described real estate, to-wit:

The Northwest Quarter (NW/4) of Section Fifteen (15), Township Ten (10) South, Range Twenty-one (21) West of the 6th P.M., Graham County, Kansas;

- 2. An oil and gas lease dated March 14, 2001, from Carroll D. Cook and Mildred J. Cook, husband and wife, lessors, to John O. Farmer, Inc., lessee, and recorded in Book 198 at page 43 in the office of the Register of Deeds of Graham County, Kansas, having a primary term of two years;

An oil and gas lease dated April 18, 2002, from Frank E. Cook and Wilma Cook, his wife, lessors, to John O. Farmer, Inc., lessee, and recorded in Book 202 at page 403 in the office of the Register of Deeds of Graham County, Kansas, having a primary term of five years;

known as the Cook Lease and covering the following described real estate, to-wit:

The Northeast Quarter (NE/4) of Section Fifteen (15), Township Ten (10) South, Range Twenty-one (21) West of the 6th P.M., Graham County, Kansas.

AND WHEREAS, all of said above described oil and gas leases contain the following language, to-wit:

15.065-22851.00-00

15-065-22851-00-00

"Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved."

NOW THEREFORE, the undersigned hereby declares that the following described real estate is hereby unitized for production of oil purposes, to-wit:

A rectangular tract of land commencing at a point 606 feet from the North line of Section Fifteen (15), Township Ten (10) South, Range Twenty-one (21) West of the 6th P.M., Graham County, Kansas, and 3089 feet from the East line of said section; thence South 1668 feet; thence East 1043 feet; thence North 1668 feet; thence West 1043 feet to the point of beginning, containing 39.93 acres, more or less.

This unitization shall be effective July 29, 2002.

DATED this 29th day of July, 2002.

JOHN O. FARMER, INC.

By John O. Farmer III
John O. Farmer III, President

ACKNOWLEDGMENT

STATE OF KANSAS, COUNTY OF RUSSELL, ss:

Before me, the undersigned, a Notary Public, within and for the County and State, on this 27th day of July, 2002, personally appeared John O. Farmer III, President of John O. Farmer, Inc., a Delaware corporation, who executed the within and foregoing Declaration Of Unitization and acknowledged to me that he executed the same for and on behalf of, and as the act and deed of said corporation for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

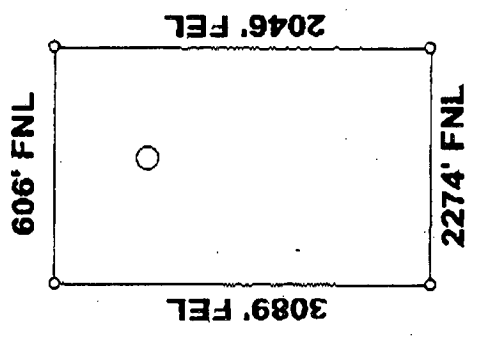
My appointment expires: 1/28/04

Stacy L Craig
Notary Public



15-065-22851-00-00

McVey/Cook #1



15

16

121W

