

EFFECTIVE DATE: 6-19-91

FAX-4

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: 06/18/91
month day year

APP
NW SW NW Sec 31 Twp 08 S Rg 24 WW East West

OPERATOR: License # 30420
Name: VJI NATURAL RESOURCES
Address: 1503 VINE STREET UNIT F
City/State/Zip: HAYS, KS 67601
Contact Person: JASON DINGES
Phone: 913-628-2296

3530 feet from South Line of Section
24950 feet from East Line of Section
(Note: Locate well on Section Plat on Reverse Side)
County: GRAHAM
Lease Name: HOLLEY Well# 6-16
Field Name: UNKNOWN

CONTRACTOR: License # 8241
Name: EMPHASIS OIL OPERATIONS

Is this a Prorated Field? XX yes no
Target Formation(s): BASE-LANSING/KC
Nearest lease or unit boundary: 330 EST 2465
Ground Surface Elevation: 80 feet MSL
Domestic well within 330 feet: XX yes no
Municipal well within one mile: XX yes no
Depth to bottom of fresh water: 80
Depth to bottom of usable water: 110 1215
Surface Pipe by Alternate: 1
Length of Surface Pipe Planned to be set: 240
Length of Conductor Pipe required: 0
Projected Total Depth: 4050
Formation at Total Depth: BASE-LANSING/KC
Water Source for Drilling Operations:
well XX farm pond other
DWR Permit#: XX
Will Cores Be Taken? XX yes no
If yes, proposed zone: XX

Well Drilled For: Well Class: Type Equipment:
XX Oil XX 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: Old Total Depth
Well Name: Old Total Depth
Comp Date: Old Total Depth

Directional, Deviated or Horizontal Wellbore? XX yes no
If yes, total depth location: XX

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: 06/13/91 Signature of Operator or Agent: B. Krueger Title: AS AGENT

88

FOR KCC USE:
 API # 15- 065-22,639-00-00
 Conductor Pipe required None feet
 Minimum surface pipe required 200 feet per Alt. 2
 Approved by: MDW 6-14-91
 EFFECTIVE DATE: 6-19-91
 This authorization expires: 12-14-91
 (This authorization void if drilling not started within 6 months of effective date.)
 Spud date: _____ Agent: _____

RECEIVED
STATE COMMISSION
CONSERVATION DIVISION
WICHITA, KANSAS
JUN 27 1991
6-13-1991

31
2465

WALK IN

- 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.

PLAT OF ACREAGE ATTRIBUTABLE TO A WELL

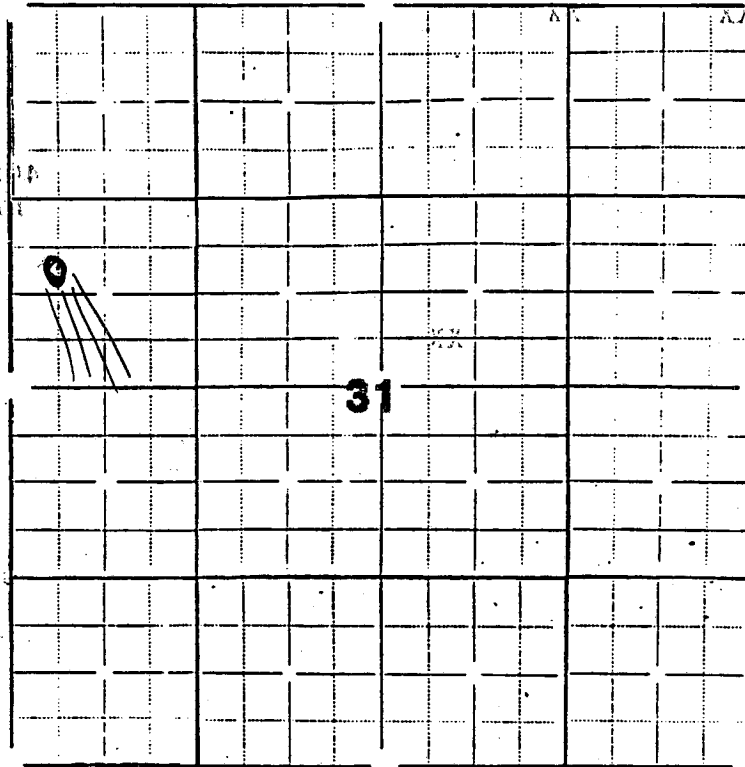
State Corporation Commission, Conservation Division

200 Colorado Derby Bldg. Wichita, Kansas 67202

OPERATOR VJI NATURAL RESOURCES LOCATION OF WELL: 3530 feet north of SE corner
 LEASE HOLLEY 4950 feet west of SE corner
 WELL NUMBER 6-16 NW Sec. 1131 T11N R108E S11W 24R1 W
 FIELD UNKNOWN COUNTY GRAHAM
 NO. OF ACRES ATTRIBUTABLE TO WELL _____ IS SECTION _____ REGULAR OR IRREGULAR?
 DESCRIPTION OF ACREAGE _____ IF IRREGULAR, LOCATE WELL 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 B. Krueger

Date 08/13/91 Title Search, Inc. AS AGENT
 316-256-5415