

EFFECTIVE DATE: 1-27-91

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 ... January 23, 1991 ... SW SE SW Sec 29 Twp 8 S, Rg 27 X West

OPERATOR: License # 9860  
Name: Castle Resources  
Address: RR #1, Box 90  
City/State/Zip: Hays, KS 67601  
Contact Person: Jerry Green  
Phone: (913)-625-5155

330 feet from South line of Section  
3630 feet from East line of Section  
(Note: Locate well on Section Plat on Reverse Side)

CONTRACTOR: License #: 8241  
Name: Emphasis Oil Operations

County: Sheridan  
Lease Name: Kennedy Well #: 1  
Field Name: Unnamed  
Is this a Prorated Field? yes .X. no  
Target Formation(s): Lansing/Kansas City  
Nearest lease or unit boundary: 330  
Ground Surface Elevation: 2600 feet MSL  
Domestic well within 330 feet: yes .X. no  
Municipal well within one mile: yes .X. no  
Depth to bottom of fresh water: 100  
Depth to bottom of usable water: 1500  
Surface Pipe by Alternate: 1 .X. 2  
Length of Surface Pipe Planned to be set: 200  
Length of Conductor pipe required: N/A  
Projected Total Depth: 4000  
Formation at Total Depth: Lansing/Kansas City

Well Drilled For: Well Class: Type Equipment:  
..X Oil ... Inj ..X Infield ..X 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

Water Source for Drilling Operations:  
... well .X. farm pond ... other  
DWR Permit #:  
Will Cores Be Taken?: yes .X. no  
If yes, proposed zone:

Directional, Deviated or Horizontal wellbore? yes .X. 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: 1-18-91 Signature of Operator or Agent: [Signature] Title: Agent

FOR KCC USE:  
API # 15- 179-20998-0000  
Conductor pipe required None feet  
Minimum surface pipe required 300 feet per Alt. (2)  
Approved by: [Signature] 1-22-91  
EFFECTIVE DATE: 1-27-91  
This authorization expires: 1-22-91  
(This authorization void if drilling not started within 6 months of effective date.)  
Spud date: Agent:

RECEIVED  
STATE CONSERVATION COMMISSION  
JAN 22 1991  
CONSERVATION DIVISION  
Wichita, Kansas

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.

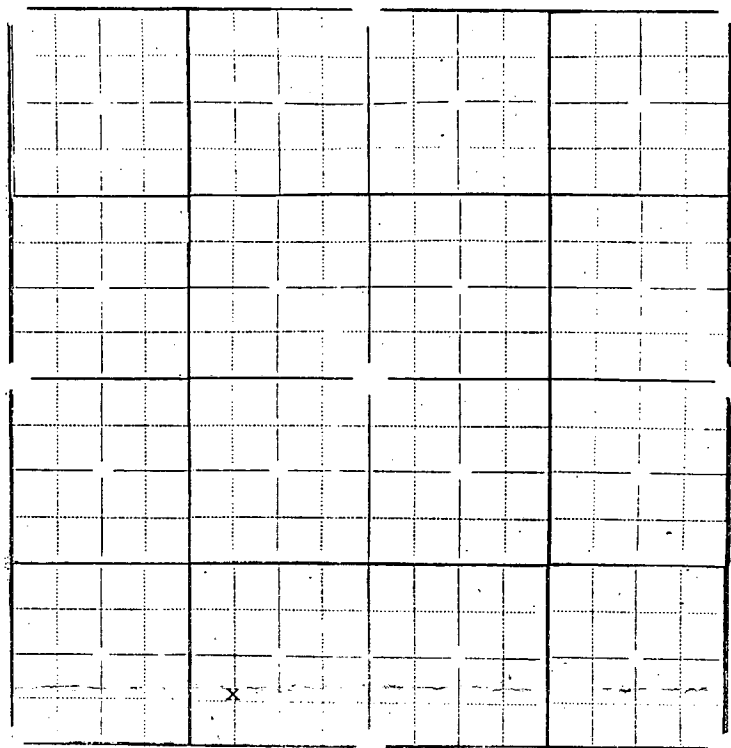
PLAT OF ACREAGE ATTRIBUTABLE TO A WELL

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

OPERATOR Castle Resources LOCATION OF WELL:  
 LEASE Kennedy 330 feet north of SE corner  
 WELL NUMBER 1 3630 feet west of SE corner  
 FIELD Unnamed Sec. 29 T 8S R 27 /E/W  
 COUNTY Sheridan  
 NO. OF ACRES ATTRIBUTABLE TO WELL 10 IS SECTION x REGULAR     IRREGULAR?  
 DESCRIPTION OF ACREAGE SW/4 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 [Signature]  
 Date 1-18-91 Title Agent