

EFFECTIVE DATE: 7-7-91 must be approved by the K.C.C. five (5) days prior to commencing well

Expected Spud Date July 10 1991 (approx) W/2 SW NE Sec 27 Twp 10 S, Rg 32 XX East West

OPERATOR: License # 30269
Name: Argent Energy, Inc.
Address: 110 South Main, Suite 510
City/State/Zip: Wichita, KS 67202-3745
Contact Person: James C. Remsberg
Phone: 316/262-5111

CONTRACTOR: License #: 6033
Name: Murfin Drilling Co.

Well Drilled For: Well Class: Type Equipment:
 Oil ... Inj ... Infield 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 no
If yes, total depth location:

3360 * feet from South line of Section
2310 feet from East line of Section
(Note: Locate well on Section Plat on Reverse Side)

County: Thomas
Lease Name: Krug Well #: 1
Field Name: unnamed
Is this a Prorated Field? ... yes no
Target Formation(s): Mississippian
Nearest lease or unit boundary: 330
Ground Surface Elevation: 3050 feet MSL
Domestic well within 330 feet: ... yes no
Municipal well within one mile: ... yes no
Depth to bottom of fresh water: 170
Depth to bottom of usable water: 1800
Surface Pipe by Alternate: ... 1 2
Length of Surface Pipe Planned to be set: 260
Length of Conductor pipe required: none
Projected Total Depth: 4700
Formation at Total Depth: Mississippian
Water Source for Drilling Operations:
... well ... farm pond other
DWR Permit #:
Will Cores Be Taken? ... yes no
If yes, proposed zone:

WAS: NW SW NE; 3630 FSL AFFIDAVIT IS: W/2 SW NE; 3360 FSL

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: July 8, 1991 Signature of Operator or Agent: James C. Remsberg Title: President

FOR KCC USE:
API # 15- 193-20,563-00-00
Conductor pipe required None feet
Minimum surface pipe required 250 feet per Alt. (2)
Approved by: MRM 7-12-91, 7-2-91
EFFECTIVE DATE: 7-7-91
This authorization expires: 1-2-92
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

RECEIVED
STATE OF KANSAS
CONSERVATION DIVISION
WICHITA, KANSAS
JUL 08 1991
07-08-1991
27 10 32W

- 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.

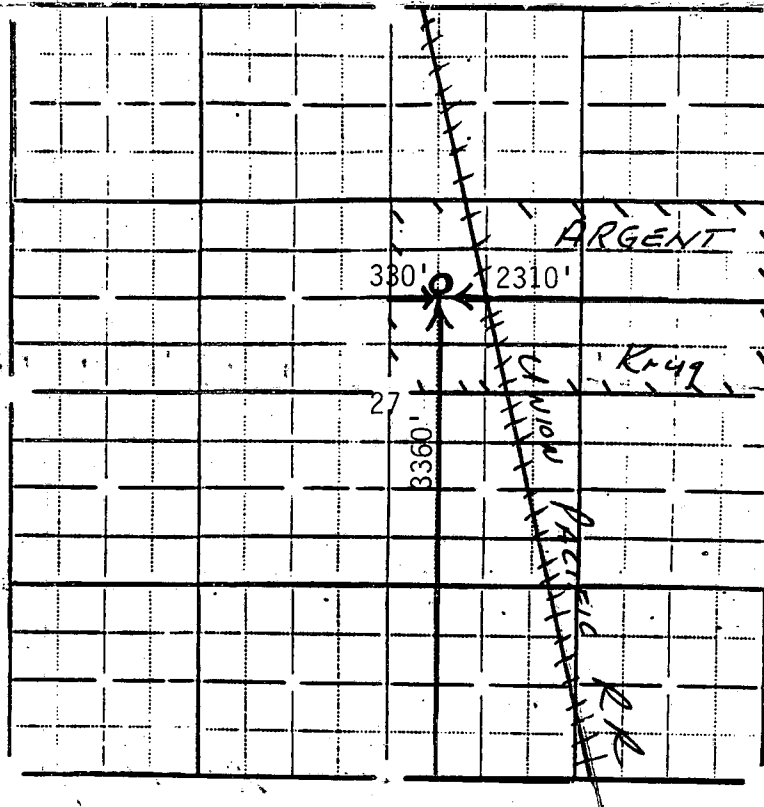
PLAT OF ACREAGE ATTRIBUTABLE TO A WELL

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

OPERATOR Argent Energy, Inc. LOCATION OF WELL:
 LEASE Krug 3360 * feet north of SE corner
 WELL NUMBER 1 2310 feet west of SE corner
 FIELD unnamed Sec. 27 T 10S R 32 W
 COUNTY Thomas
 NO. OF ACRES ATTRIBUTABLE TO WELL 10 IS SECTION X REGULAR IRREGULAR?
 DESCRIPTION OF ACREAGE W/2-SW-NE 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 James C. Rensberg
 Date July 8, 1991 Title President James C. Rensberg