

15-193-20681-00-00

For KCC Use: Effective Date: 10-29-01 District # 4 SGA? Yes No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1 September 1999 Form must be Typed Form must be Signed All blanks must be Filled

NOTICE OF INTENT TO DRILL

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

Expected Spud Date November 12 2001 month day year

Spot 180'S of NW - NW - SW Sec. 14 Twp. 10 S. R. 31W East West 2130 feet from (S) (circle one) Line of Section 330 feet from (W) (circle one) Line of Section Is SECTION Regular Irregular?

OPERATOR: License# 30717 Name: DOWNING-NELSON OIL CO., INC. Address: P.O. Box 372 City/State/Zip: Hays, KS 67601 Contact Person: Ronald Nelson Phone: (785) 628-3449

(Note: Locate well on the Section Plat on reverse side) County: Thomas Lease Name: R.J. Shea Well #: 1-14 Field Name: _____

CONTRACTOR: License# 31548 Name: Discovery Drilling CO., Inc.

Is this a Prorated / Spaced Field? Yes No Target Information(s): LKC Nearest Lease or unit boundary: 330'

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

Ground Surface Elevation: 2979 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: 160' 180' Depth to bottom of usable water: 1500' 1650' Surface Pipe by Alternate: 1 X 2

If OWWO: old well information as follows: Operator: _____ Well Name: _____ Original Completion Date: _____ Original Total Depth: _____

Length of Surface Pipe Planned to be set: 200' Length of Conductor Pipe required: None Projected Total Depth: 4650' Producing Formation Target: LKC

Directional, Deviated or Horizontal wellbore? Yes No If Yes, true vertical depth: _____ Bottom Hole Location: _____ KCC DKT #: _____

Water Source for Drilling Operations: Well _____ Farm Pond Other _____ DWR Permit #: _____

(Note: Apply for Permit with DWR) Will Cores be taken? Yes No If Yes, proposed zone: _____

AFFIDAVIT

RECEIVED

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et seq.

OCT 22 2001

It is agreed that the following minimum requirements will be met:

KCC WICHITA

- 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: 19 Oct. 2001 Signature of Operator or Agent: Thomas J. Al Title: Agent

For KCC Use ONLY API # 15 - 193-20681-0000 Conductor pipe required NONE feet Minimum surface pipe required 200' feet per Alt. (2) Approved by: DPW 10-24-01 This authorization expires: 4-24-02 (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.

14 10 31W

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

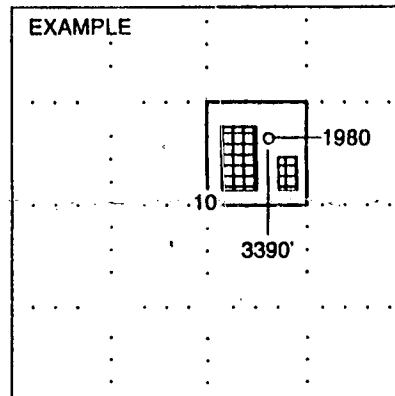
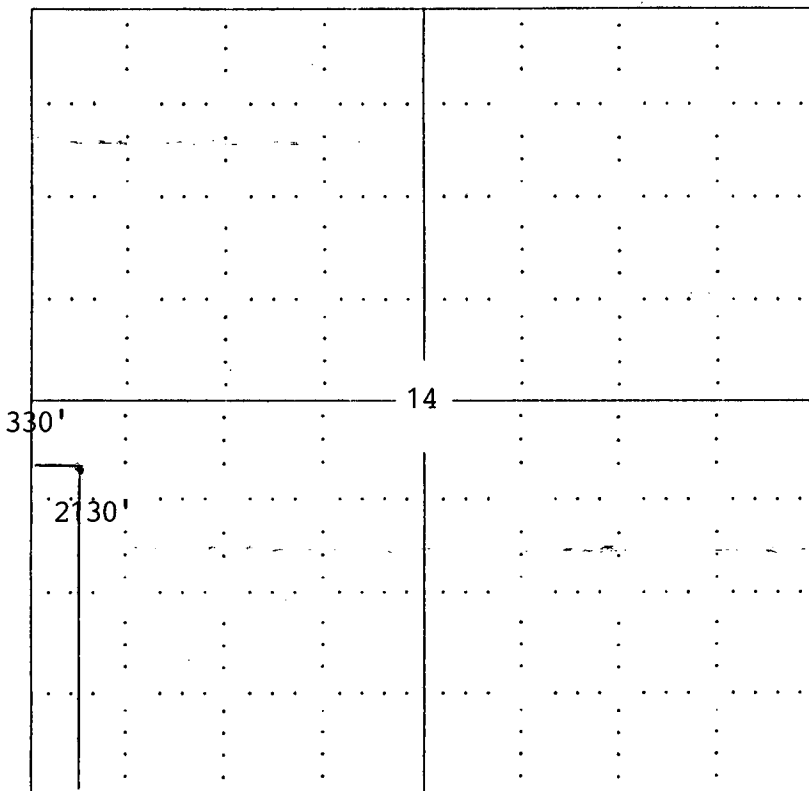
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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: DOWNING-NELSON OIL CO., INC.
Lease: R.J. Shea
Well Number: 1-14
Field: _____
Number of Acres attributable to well: _____
QTR / QTR / QTR of acreage: _____

Location of Well: County: Thomas
2130 feet from S / N (circle one) Line of Section
330 feet from E / W (circle one) Line of Section
Sec. 14 Twp. 10 S. R. 31W East West
Is Section X 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.

Thomas Co., KS

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).