

EFFECTIVE DATE: 11-12-2000
DISTRICT # 4
SEAT Yes X No

State of Kansas
NOTICE OF INTENTION TO DRILL

FORM MUST BE TYPED
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 11 - 10 - 2000
month day year

Spot 17 9S 26W - East
SE - NW - SE Sec Twp S, Rg West

OPERATOR: License # 5474
Name: Northern Lights Oil Co., LC
Address: P.O. BOX 164
City/State/Zip: Andover, KS 67002
Contact Person: Kurt Smith
Phone: 316-733-1515

1650 feet from South / North line of Section
1650 feet from East West line of Section
IS SECTION X REGULAR IRREGULAR

(NOTE: Locate well on the Section Plat on Reverse Side)
County: Sheridan
Lease Name: Desiree Well #: 1
Field Name: WC

CONTRACTOR: License #: 4958
Name: Mallard JV

Is this a Prorated/Spaced Field? yes X no
Target Formation(s): lkC
Nearest lease or unit boundary: 990'

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

Ground Surface Elevation: est. 2700 feet MSL
Water well within one-quarter mile: X yes no
Public water supply well within one mile: yes X no

If OWWO: old well information as follows:
Operator:
Well Name:
Comp. Date: Old Total Depth

Depth to bottom of fresh water: 200
Depth to bottom of usable water: 1400 3/4 DAKOTA
Surface Pipe by Alternate: 1 X 2

Directional, Deviated or Horizontal wellbore? yes X no
If yes, true vertical depth:
Bottom Hole Location:

X Length of Surface Pipe Planned to be set: 220' 250 MIN
Length of Conductor pipe required:
Projected Total Depth: 3900
Formation at Total Depth: Marmaton

AFFIDAVIT

* ALT 2 REQUIREMENTS, SET THROUGH UNCONSOLIDATED PLUS 50 FEET.

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: 11-3-00 Signature of Operator or Agent: [Signature] Title: Expl. Mngr.

RECEIVED
STATE CORPORATION COMMISSION
11-6-00
NOV 6 2000
CONSERVATION DIVISION
Wichita, Kansas

FOR KCC USE:
API # 15- 179-21104-0000
Conductor pipe required NONE feet
Minimum surface pipe required 250 feet per Alt. X(2)
Approved by: JK 11-7-2000
This authorization expires: 5-7-2001
(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.

Mail to: Conservation Division, 200 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1286.

17
10
26W

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 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 _____
 LEASE _____
 WELL NUMBER _____
 FIELD _____

LOCATION OF WELL: COUNTY _____
 _____ feet from south/north line of section
 _____ feet from east/west line of section
 SECTION _____ TWP _____ RG _____

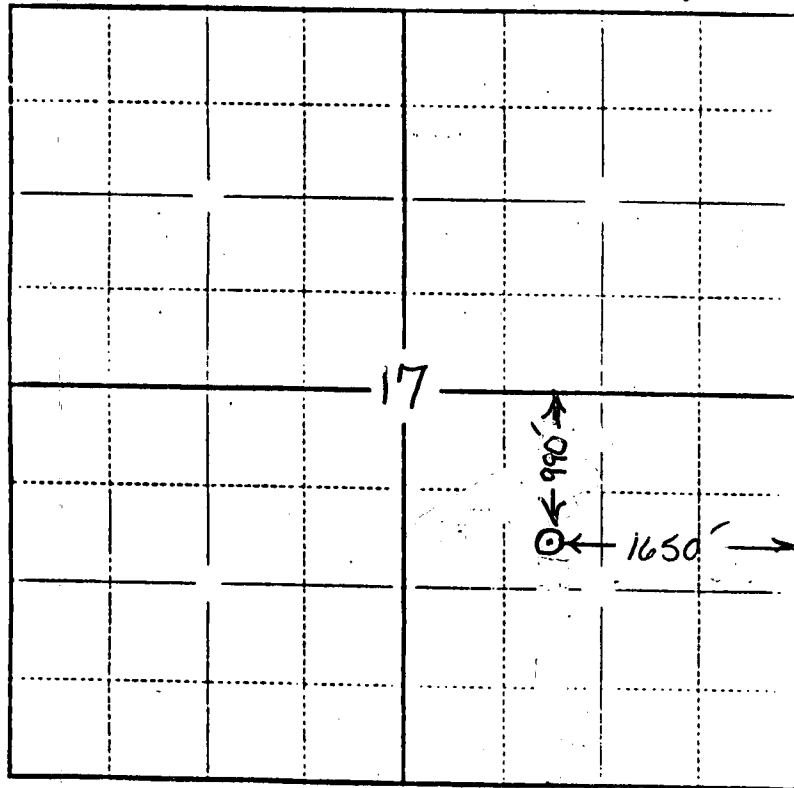
NUMBER OF ACRES ATTRIBUTABLE TO WELL _____
 QTR/QTR/QTR OF ACREAGE _____

IS SECTION _____ REGULAR or _____ IRREGULAR
IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.

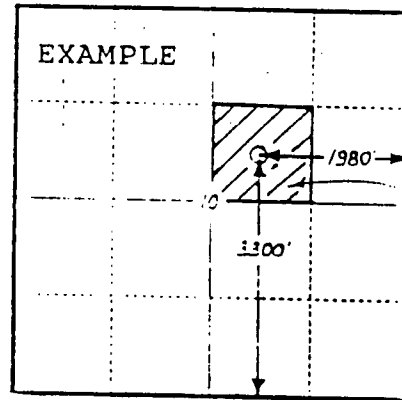
Section corner used: _____ NE _____ NW _____ SE _____ SW

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.)



26w



40
ACRES

SHERIDAN 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 lines; and
- 3) the distance to the nearest lease or unit boundary line.