

15-195-22194-00-00

FOR KCC USE:

FORM C-1 7/91

FORM MUST BE TYPED

FORM MUST BE SIGNED

ALL BLANKS MUST BE FILLED

EFFECTIVE DATE: 9-21-97

State of Kansas

DISTRICT # 4

NOTICE OF INTENTION TO DRILL

SGA? Yes No

Must be approved by the K.C.C. five (5) days prior to commencing well.

Expected Spud Date September 25, 1997

Spot SE NW NE Sec 25 Twp 11 S, Rg 25 East West

OPERATOR: License # 31930
Name: BlueRidge Petroleum Corporation
Address: P.O. Box 385
City/State/Zip: Ness City, KS 67560
Contact Person: Jonathan Allen
Phone: (785) 398-2673

990 feet from South (North) line of Section
1650 feet from East West line of Section
IS SECTION X REGULAR IRREGULAR?

CONTRACTOR: License # 31548
Name: Discovery Drilling

(NOTE: Locate well on the Section Plat on Reverse Side)
County: Trego
Lease Name: Terry Well #: 1
Field Name: Wildcat
Is this a Prorated/Spaced Field? yes X no
Target Formation(s): Lansing
Nearest lease or unit boundary: 2490'
Ground Surface Elevation: 990'
Water well within one-quarter mile: X yes no
Public water supply well within one mile: 190' 150' yes X no
Depth to bottom of fresh water: 1190'
Depth to bottom of usable water: 210'
Surface Pipe by Alternate: 1 X 2
Length of Surface Pipe Planned to be set: 4100'
Projected Total Depth: 4100'
Formation at Total Depth: Mississippian
Water Source for Drilling Operations:
... well ... farm pond X other

Well Drilled For: Well Class: Type Equipment:
X Oil ... Enh Rec ... Infield ... Mud Rotary
... Gas ... Storage ... Pool Ext. ... Air Rotary
... OWMO ... Disposal X Wildcat ... Cable
... Seismic; ... # of Holes ... Other
... Other
If OWMO: old well information as follows:
Operator:
Well Name:
Comp. Date: Old Total Depth

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

Will Cores Be Taken? ... yes X no
If yes, proposed zone:

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. 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: 9/15/97 Signature of Operator or Agent: Jonathan Allen Title: Vice President

FOR KCC USE:
API # 15- 195-221940000
Conductor pipe required NONE feet
Minimum surface pipe required 200 feet per Alt. X(2)
Approved by: JK 9-16-97
This authorization expires: 3-16-98
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: Agent:

RECEIVED
STATE CORPORATION COMMISSION
9-16-1997
SEP 16 1997
CONSERVATION DIVISION
Wichita, Kansas

RS
11
RSW

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: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202.

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 BlueRidge Petroleum Corporation
 LEASE Terry
 WELL NUMBER #1
 FIELD Wildcat

LOCATION OF WELL: COUNTY Trego
990 feet from south north line of section
1650 feet from east west line of section
 SECTION 25 TWP 11S RG 25W

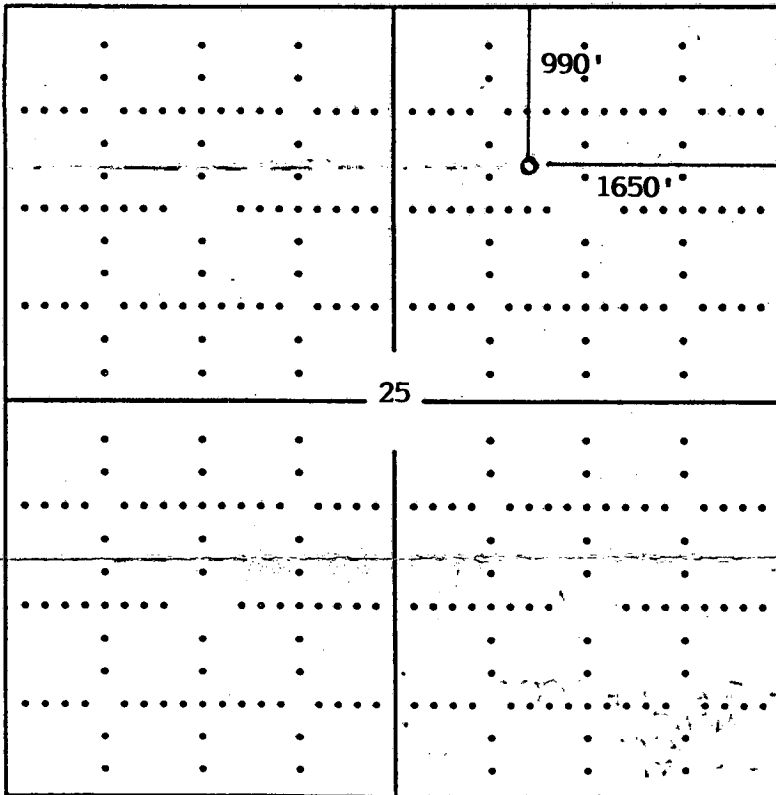
NUMBER OF ACRES ATTRIBUTABLE TO WELL _____
 QTR/QTR/QTR OF ACREAGE SE - NW - NE

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

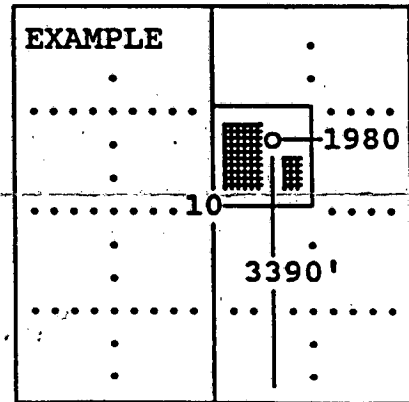
Section corner used: X NE NW SE SW

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.)



TREGO CO.



SEWARD CO.

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