

EFFECTIVE DATE: 3-11-96

State of Kansas

FORM MUST BE SIGNED

DISTRICT # 4

NOTICE OF INTENTION TO DRILL

ALL BLANKS MUST BE FILLED

SGA? Yes No

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

Expected Spud Date 3 15 96 month day year

Spot 110 E SW SW Sec 23 Twp 11 S Rg 33W East West

OPERATOR: License # 31120 Name: Pelican Hill Oil & Gas, Inc. Address: 1401 N. El Camino Real #203 City/State/Zip: San Clemente, Ca. 92672 Contact Person: Al Gross Phone: (714)498-2101

330' feet from South North line of Section 440' feet from East West line of Section IS SECTION X REGULAR IRREGULAR?

(NOTE: Locate well on the Section Plat on Reverse Side)

CONTRACTOR: License #: 30684 Name: ABERCROMBIE RTD, INC.

County: Logan Lease Name: DENNY Well #: 1

Field Name: Is this a Prorated/Spaced Field? yes no

Target Formation(s): LKC

Nearest lease or unit boundary: 330'

Ground Surface Elevation: EST 3122 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: 180'

Depth to bottom of usable water: 2600' 1700'

Surface Pipe by Alternate: 1 XX 2

Length of Surface Pipe Planned to be set: 250'

Length of Conductor pipe required: 0'

Projected Total Depth: 4700'

Formation at Total Depth: Mississippian

Water Source for Drilling Operations:

well farm pond other

Table with columns: Well Drilled For, Well Class, Type Equipment. Rows include Oil, Gas, OWWO, Seismic, etc.

If OWWO: old well information as follows:

Operator: Well Name: Comp. Date: Old Total Depth

Directional, Deviated or Horizontal wellbore? yes no

If yes, true vertical depth:

Bottom Hole Location:

Will Cores Be Taken? yes no

If yes, proposed zone:

AFFIDAVIT

RECEIVED

KANSAS CORPORATION COMMISSION

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:

MAR 05 1996 3-5-1996

CONSERVATION DIVISION WICHITA, KS

- 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: 3-5-96 Signature of Operator or Agent: Mark R. Gatyon Title: Vice President

FOR KCC USE: API # 15- 109-206150000 Conductor pipe required NONE feet Minimum surface pipe required 230 feet per Alt. X(2) Approved by: JK 3-6-96 This authorization expires: 9-6-96 (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: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202.

83 11 3302

**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.

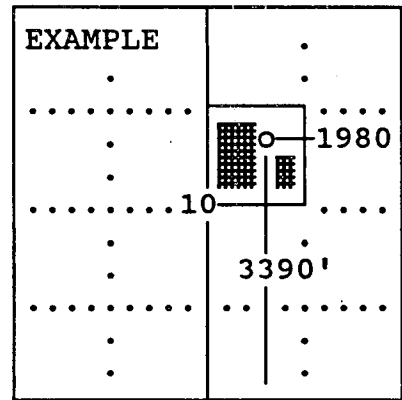
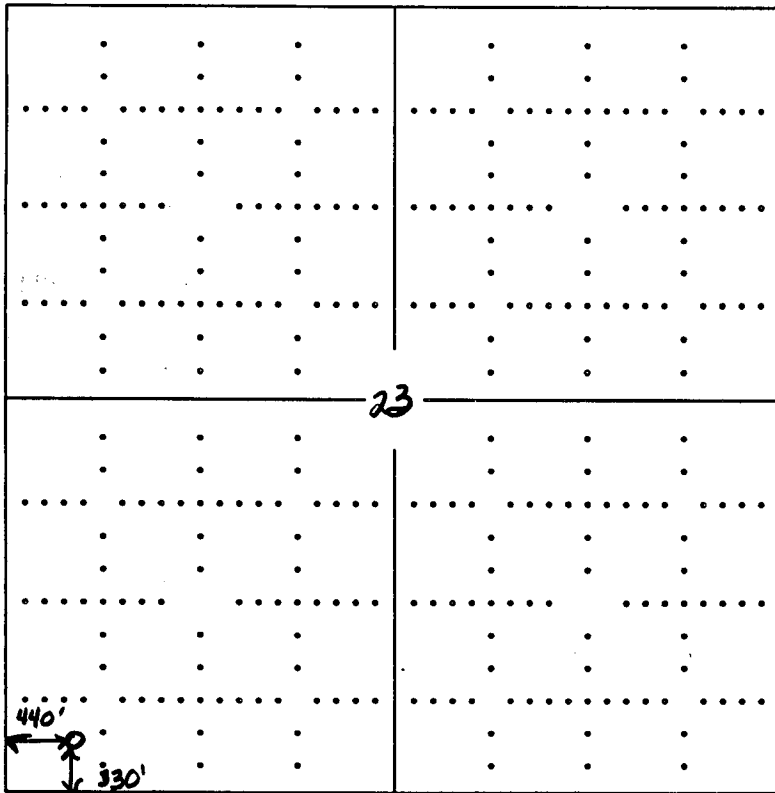
API NO. 15- \_\_\_\_\_  
 OPERATOR \_\_\_\_\_ LOCATION OF WELL: COUNTY \_\_\_\_\_  
 LEASE \_\_\_\_\_ feet from south/north line of section  
 WELL NUMBER \_\_\_\_\_ feet from east/west line of section  
 FIELD \_\_\_\_\_ SECTION \_\_\_\_\_ TWP \_\_\_\_\_ RG \_\_\_\_\_

NUMBER OF ACRES ATTRIBUTABLE TO WELL \_\_\_\_\_ IS SECTION \_\_\_\_\_ REGULAR or \_\_\_\_\_ IRREGULAR  
 QTR/QTR/QTR OF ACREAGE \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ **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.

**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.