

RECEIVED
 JUN 26 2002
 6-26-2002
 WICHITA
 Form C-1
 September 1999
 Form must be Typed
 Form must be Signed
 All blanks must be Filled

For KCC Use: 7-1-02
 Effective Date: 7-1-02
 District #: 4
 SGA? Yes No

NOTICE OF INTENT TO DRILL

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

Expected Spud Date August 10 2002
 month day year

OPERATOR: License# 3956
 Name: Brungardt Oil & Leasing, Inc.
 Address: P. O. Box 871
 City/State/Zip: Russell, Kansas 67665
 Contact Person: Gary L. Brungardt
 Phone: 785-483-4975

CONTRACTOR: License# 5184
 Name: Shields Oil Producers, Inc.

Approx. C E/2 E/2
 Spot C - E/2 - NW/4 Sec. 25 Twp. 12 S. R. 16
 East
 West

1475 feet from 1 (circle one) Line of Section
2290 feet from 1 (circle one) Line of Section

Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Ellis
 Lease Name: Brungardt A Well #: 1
 Field Name: Emmeran FAIRPORT

Is this a Prorated / Spaced Field? Yes No

Target Information(s): Arbuckle
 Nearest Lease or unit boundary: 1475

Ground Surface Elevation: 1892 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: 700' **PERMIAN**

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 1200'

Length of Conductor Pipe required: None

Projected Total Depth: 3600'

Producing Formation Target: Arbuckle

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: _____

Well Drilled For: Oil Gas OWWO Seismic; # of Holes Other

Well Class: Enh Rec Storage Disposal Other

Type Equipment: Mud Rotary Air Rotary Cable

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

Directional, Deviated or Horizontal wellbore? Yes No

If Yes, true vertical depth: _____

Bottom Hole Location: _____

KCC DKT #: _____

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: 6-20-02 Signature of Operator or Agent: Gary L. Brungardt Title: Owner

For KCC Use ONLY
 API # 15 - 051-25143-00-00
 Conductor pipe required NONE feet
 Minimum surface pipe required 720 feet per Alt. 1
 Approved by: RJP 6-26-02
 This authorization expires: 12-26-02
 (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.

25
 12
 1600

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: _____
 Lease: _____
 Well Number: _____
 Field: _____
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: _____

Location of Well: County: _____
 _____ feet from S / N (circle one) Line of Section
 _____ feet from E / W (circle one) Line of Section
 Sec. _____ Twp. _____ S. R. _____ East West

Is Section _____ Regular - or _____ Irregular

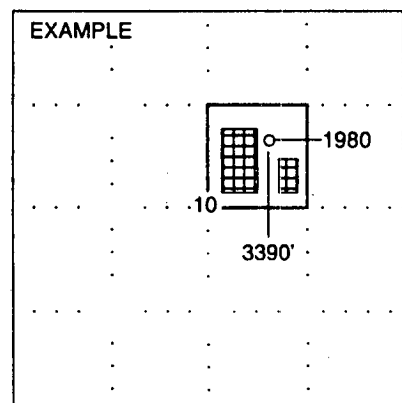
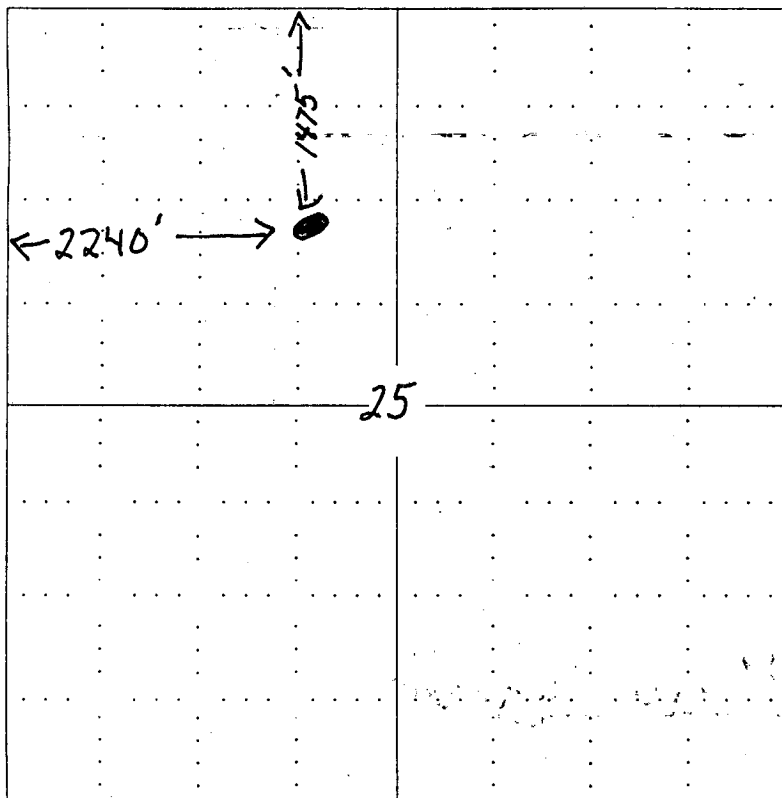
If Section is Irregular, locate well from nearest corner boundary.

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.)



NOTE: In all cases locate the spot of the proposed drilling locator.

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: (C0-7 for oil wells; CG-8 for gas wells).