

EFFECTIVE DATE: 1-16-2001

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 February 15, 2001
month day year

Spot East
 C N/2- NE - NE Sec 20 Twp 4 S, Rg 18 West

OPERATOR: License # 5252
Name: R.P. Nixon Operations, Inc.
Address: 207 West 12th Street
City/State/Zip: Hays, KS 67601
Contact Person: Dan Nixon
Phone: 785-628-3834

4950 feet from South / North line of Section
660 feet from East / West line of Section
IS SECTION REGULAR IRREGULAR?

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

County: Phillips
Lease Name: Elsie-Jackson Well #: 13
Field Name: Stoneman

Is this a Prorated/Spaced Field? yes no

Target Formation(s): Lansing

Nearest Lease or unit boundary: 330

Ground Surface Elevation: approx. 1946 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: 150' 180'

Depth to bottom of usable water: 1150' 870 B/DAKOTA

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 200

Length of Conductor pipe required: NA

Projected Total Depth: 3350'

Formation at Total Depth: Reagan

Water Source for Drilling Operations: well farm pond other

DWR Permit #: _____

Will Cores Be Taken?: yes no

If yes, proposed zone: _____

CONTRACTOR: License #: 30606
Name: Murfin Drilling Company

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

If ~~OMWO~~ 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 _____

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: 01-04-01 Signature of Operator or Agent: [Signature] Title President

FOR KCC USE:
 API # 15- 147-20600-0000
 Conductor pipe required NONE feet
 Minimum surface pipe required 200 feet per Alt. (2)
 Approved by: JK 1-11-2001
 This authorization expires: 7-11-2001
 (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.

RECEIVED
KANSAS CORPORATION COMMISSION

JAN 05 2001

CONSERVATION DIVISION
WICHITA, KS

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4
18W