

EFFECTIVE DATE: 5-1-94
DISTRICT # 1
SGAT: Yes No

State of Kansas 15-033-20887-00-00
NOTICE OF INTENTION TO DRILL

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

Expected Spud Date April 29th 1994
month day year

Spot NW SW NE Sec 16 Twp 34 S. Rg 20 X

OPERATOR: License # 31232
Name: Cody Energy, Inc.
Address: 7555 E. Hampden Ave., Ste. 600
City/State/Zip: Denver, CO 80231
Contact Person: Rock Petty
Phone: (915) 686 0181

1665 feet from South North line of Section
2365 feet from East West line of Section
IS SECTION X REGULAR IRREGULAR?

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

Less Name: Selzer Well #: 16-4
Field Name: Schumacher North

Is this a Propped/Spaced Field? ... yes X no
Target Formation(s): Arbuckle Viola

Nearest lease or unit boundary: 1595
Ground Surface Elevation: 1755 feet

Water well within one-quarter mile: yes X
Public water supply well within one-mile: yes X

Depth to bottom of fresh water: 100
Depth to bottom of usable water: 180

Surface Pipe by Alternate: X 1 2
Length of Surface Pipe Planned to be set: 600

Length of Conductor pipe required: None
Projected Total Depth: 6800

Formation at Total Depth: Arbuckle
Water Source for Drilling Operations:

... well ... farm pond X, oth
DWR Permit #: NA

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

Table with columns: Well Drilled For, Well Class, Type Equipment. Includes rows for Oil, Gas, OWD, Seismic, and other well types.

If OWD: 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:

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 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 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: 4/25/94 Signature of Operator or Agent: [Signature] Title: Operations Tech.

FOR KCC USE: API # 15- 033-20887-0000
Conductor pipe required NONE feet
Minimum surface pipe required 200 feet per Alt. (X)
Approved by: CB 4-26-94
This authorization expires: 10-26-94
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: Agent:

RCVD 04-26-94

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 protraction 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.

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 showing that the well will be properly located in relationship to other wells producing 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 Cody Energy, Inc.
 LEASE Selzer
 WELL NUMBER 16-4
 FIELD Schumacher North

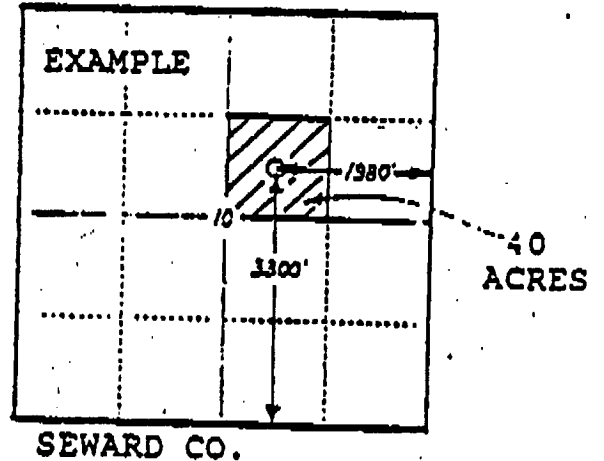
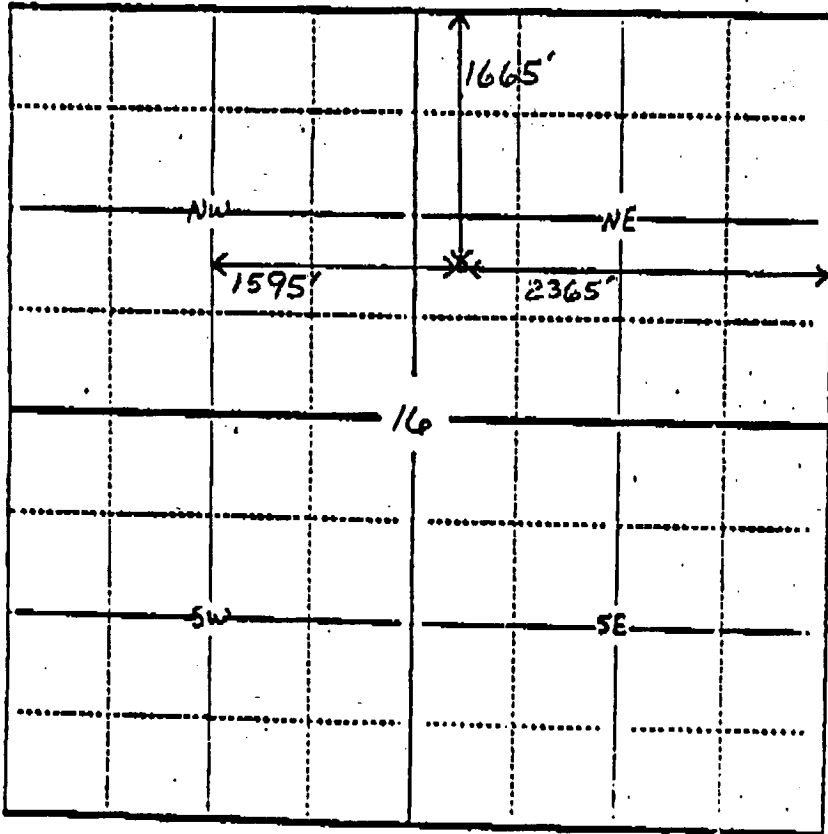
LOCATION OF WELL: COUNTY Comanche
1665 feet from south/north line of section
2365 feet from east/west line of section
 SECTION 16 TWP 34 RG 20W

NUMBER OF ACRES ATTRIBUTABLE TO WELL 10
 QTR/QTR/QTR OF ACREAGE NW - SW - NE

IS SECTION X REGULAR or IRREGULAR
IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAR
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.)



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.