

15-051-25130-0000

For KCC Use: Effective Date: 4-15-2002 District # 4 SGA? Yes No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION NOTICE OF INTENT TO DRILL

Form C-1 September 1999 Form must be Typed Form must be Signed All blanks must be Filled

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

Expected Spud Date April 28, 2002 month day year

OPERATOR: License# 32511 Name: Imperial American Oil Corporation Address: 303 North Carroll Blvd., #214 City/State/Zip: Denton TX 76201 Contact Person: Hal Porter Phone: 940 483-9148

CONTRACTOR: License# 30606 Name: Murfin Drilling Company, Inc.

Spot APNE-NW-SE-SE Sec. 26 Twp. 11S S. R. 16 East West 1200 feet from S (circle one) Line of Section 770 feet from E (circle one) Line of Section Is SECTION Regular Irregular?

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

County: Ellis Lease Name: Sharon Well #: 26-1 Field Name: Wildcat

Is this a Prorated / Spaced Field? Yes No Target Formation(s): LKC, ARB Nearest Lease or unit boundary: 770

Ground Surface Elevation: 1738 approx 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 feet Depth to bottom of usable water: 400 feet 500 Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 900 Length of Conductor Pipe required: None Projected Total Depth: 3400

Formation at Total Depth: Arbuckle Water Source for Drilling Operations: Well Farm Pond Other KCC WICHITA DWR Permit #: _____

Well Drilled For: Oil Gas OWWO Seismic: # of Holes Other Enh Rec Storage Disposal Infield Pool Ext Wildcat Other Well Class: 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 #: _____

(Note: Apply for Permit with DWR) Will Cores be taken? Yes No If Yes, proposed zone: _____

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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: March 26, 2002 Signature of Operator or Agent: Hal Porter Title: President

For KCC Use ONLY API # 15 - 051-25130-0000 Conductor pipe required NONE feet Minimum surface pipe required 520 feet per Alt. (1) 2 Approved by: RJP 4-10-2002 This authorization expires: 10-10-2002 (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.

26 11 16W

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: Imperial American Oil Corporation
Lease: Sharon
Well Number: 26-1
Field: Wildcat

Number of Acres attributable to well: _____
QTR / QTR / QTR of acreage: NW - SE - SE

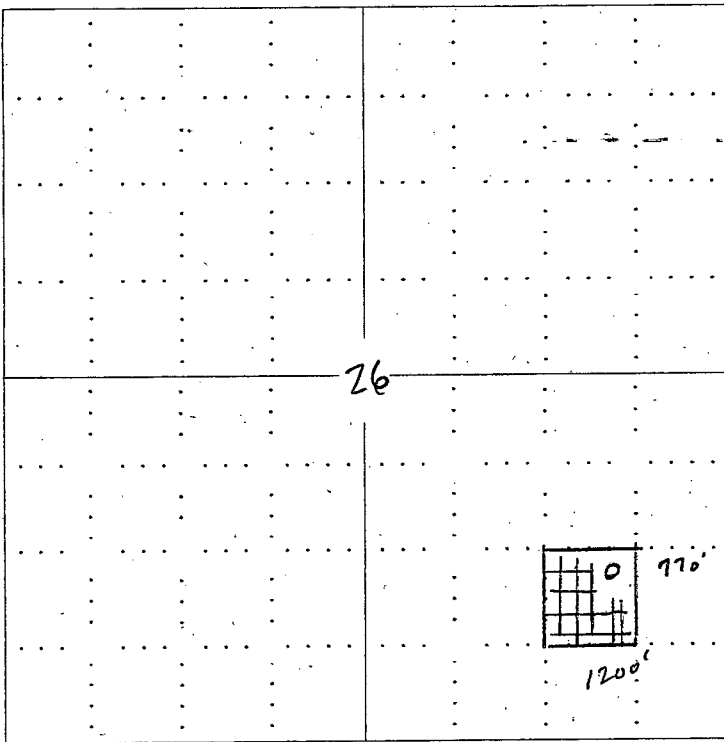
Location of Well: County: Ellis
1200 feet from S / N (circle one) Line of Section
770 feet from E / W (circle one) Line of Section
Sec. 26 Twp. 11S S. R. 16 East West

Is Section Regular or _____ Irregular

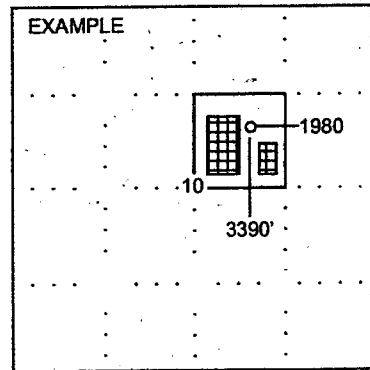
If Section is Irregular, locate well from nearest corner boundary.
Section corner used: NE NW SE SW

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.)*



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

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).