

FOR KCC USE:

FORM C-1 7/91

FORM MUST BE TYPED

FORM MUST BE SIGNED

ALL BLANKS MUST BE FILLED

EFFECTIVE DATE: 1-3-96

State of Kansas

NOTICE OF INTENTION TO DRILL

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

DISTRICT # 4

SGA? Yes No

Expected Spud Date 1 15 1996
month day year

Spot SW SE NW Sec 32 Twp 13 S, Rg 21 East West

OPERATOR: License # 9860
Name: CASTLE RESOURCES, INC.
Address: 1200 East 27th # C
City/State/Zip: Hays, Kansas 67601-2120
Contact Person: Jerry Green
Phone: (913) 625-5155

2310 feet from BOOK / North line of Section
1650 feet from BOOK West line of Section
IS SECTION X REGULAR IRREGULAR?

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

County: Trego

Lease Name: Bongarts Well #: 2

Field Name: Locker Ext.

Is this a Prorated/Spaced Field? ... yes X no

Target Formation(s): Cherokee

Nearest lease or unit boundary: 1650'

Ground Surface Elevation: 2310 Est. feet MSL

Water well within one-quarter mile: ... yes X no

Public water supply well within one mile: ... yes X no

Depth to bottom of fresh water: 160'

Depth to bottom of usable water: 380'

Surface Pipe by Alternate: ... 1 X 2

Length of Surface Pipe Planned to be set: 210'

Length of Conductor pipe required: None

Projected Total Depth: 4150'

Formation at Total Depth: Arbuckle

Water Source for Drilling Operations:

... well X farm pond ... other

CONTRACTOR: License #: 31548
Name: Discovery Drilling, Inc.

Well Drilled For: Well Class: Type Equipment:

X Oil ... Enh Rec ... Infield X Mud Rotary
... Gas ... Storage X Pool Ext. ... Air Rotary
... OWO ... Disposal ... Wildcat ... Cable
... Seismic; ... # of Holes ... Other
... Other

If OWO: 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:

Will Cores Be Taken?: ... yes X no

If yes, proposed zone:

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: 12/28/1995 Signature of Operator or Agent: Thomas J. Al Title: Agent

FOR KCC USE:
 API # 15- 195-221700000
 Conductor pipe required NONE feet
 Minimum surface pipe required 210' feet per Alt. X(2)
 Approved by: JK 12-29-95
 This authorization expires: 6-29-96
 (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.

RECEIVED
STATE CORPORATION COMMISSION

DEC 29 1995

12-29-95
CONSERVATION DIVISION
WICHITA, KANSAS

32
13
212

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 CASTLE RESOURCES, INC.
 LEASE Bongarts
 WELL NUMBER 2
 FIELD Locker Ext.

LOCATION OF WELL: COUNTY Trego
2310 feet from ~~XXXX~~ north line of section
1650 feet from ~~XXXX~~ west line of section
 SECTION 32 TWP 13s RG 21w

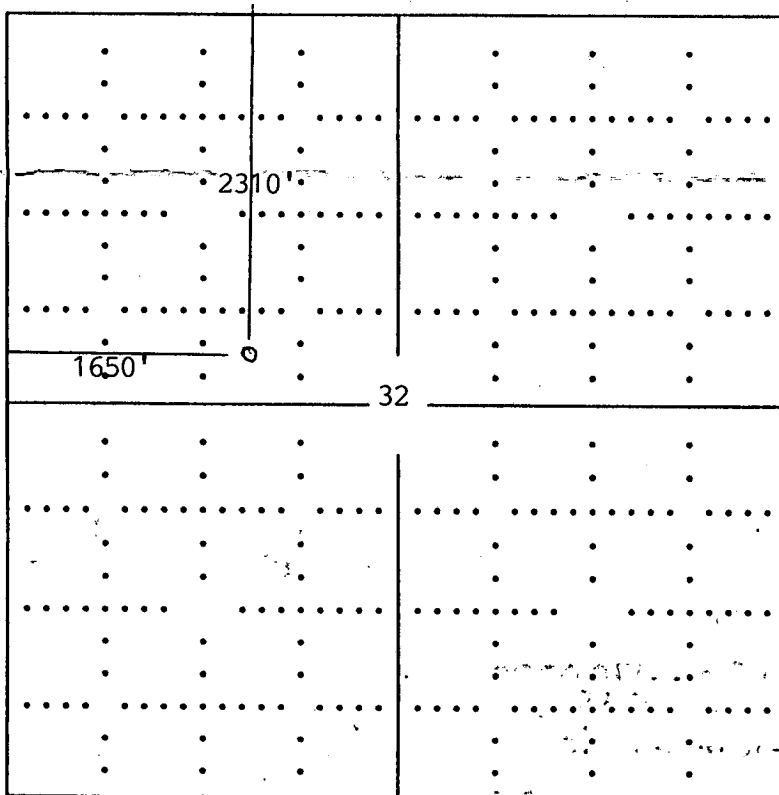
NUMBER OF ACRES ATTRIBUTABLE TO WELL 160
 QTR/QTR/QTR OF ACREAGE SW - SE - NW

IS SECTION X REGULAR or _____ IRREGULAR
IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.

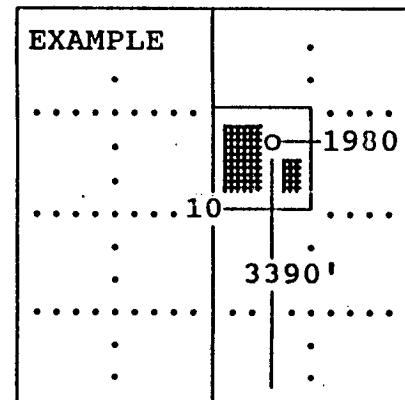
Section corner used: NE X NW SE SW

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.)



Trego Co.



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.