

15-071-20666-00-00

FOR KCC USE:

FORM C-1 7/91

FORM MUST BE TYPED

FORM MUST BE SIGNED

ALL BLANKS MUST BE FILLED

EFFECTIVE DATE: 3-9-97

State of Kansas

DISTRICT # 1

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 3 24 97  
month day year

Spot NE/4 SW/4 Sec 1 Twp 18 S, Rg 40 East  West

OPERATOR: License # 4894  
Name: Horseshoe Operating, Inc.  
Address: 500 W. Texas, Suite 1190  
City/State/Zip: Midland, Tx 79701  
Contact Person: S. L. Burns  
Phone: (915) 683-1448

1980 feet from South North line of Section  
1980 feet from East West line of Section  
IS SECTION  REGULAR  IRREGULAR?

(NOTE: Locate well on the Section Plat on Reverse Side)  
County: Greeley  
Lease Name: Kuder Well #: 2  
Field Name: Bradshaw

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

Is this a Prorated/Spaced Field?  yes  no  
Target Formation(s): Winfield  
Nearest lease or unit boundary: 1980

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

Ground Surface Elevation: 3543.8 feet MSL  
Water well within one-quarter mile:  yes  no  
Public water supply well within one mile:  yes  no

If OWWO: old well information as follows:  
Operator: \_\_\_\_\_  
Well Name: \_\_\_\_\_  
Comp. Date: \_\_\_\_\_ Old Total Depth \_\_\_\_\_

Depth to bottom of fresh water: 220  
Depth to bottom of usable water: 1200' 1600'  
Surface Pipe by Alternate:  1  2  
Length of Surface Pipe Planned to be set: 350'  
Length of Conductor pipe required: \_\_\_\_\_

Directional, Deviated or Horizontal wellbore?  yes  no  
If yes, true vertical depth: \_\_\_\_\_  
Bottom Hole Location: \_\_\_\_\_

Projected Total Depth: 3000'  
Formation at Total Depth: Winfield  
Water Source for Drilling Operations:  
 well  farm pond  other

Will Cores Be Taken?:  yes  no  
If yes, proposed zone: \_\_\_\_\_

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with KANSAS CORPORATION COMMISSION et. seq.

RECEIVED  
KANSAS CORPORATION COMMISSION  
3-4-97  
MAR 04 1997

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 consolidation DIVISION
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: 3/3/97 Signature of Operator or Agent: \_\_\_\_\_ Title: Treasurer

FOR KCC USE:  
 API # 15- 071-206660000  
 Conductor pipe required NONE feet  
 Minimum surface pipe required 240' feet per Alt.  (2)  
 Approved by: JK 3-4-97  
 This authorization expires: 9-4-97  
 (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.

1  
18  
402

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 Horseshoe Operating, Inc.  
 LEASE Kuder  
 WELL NUMBER 2  
 FIELD Bradshaw

LOCATION OF WELL: COUNTY Greeley  
 \_\_\_\_\_ feet from south/north line of section  
1980 feet from east/west line of section  
 SECTION 1 TWP 18S RG 40W

NUMBER OF ACRES ATTRIBUTABLE TO WELL 640  
 QTR/QTR/QTR OF ACREAGE \_\_\_\_\_

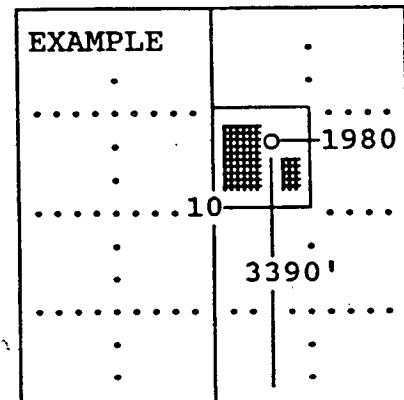
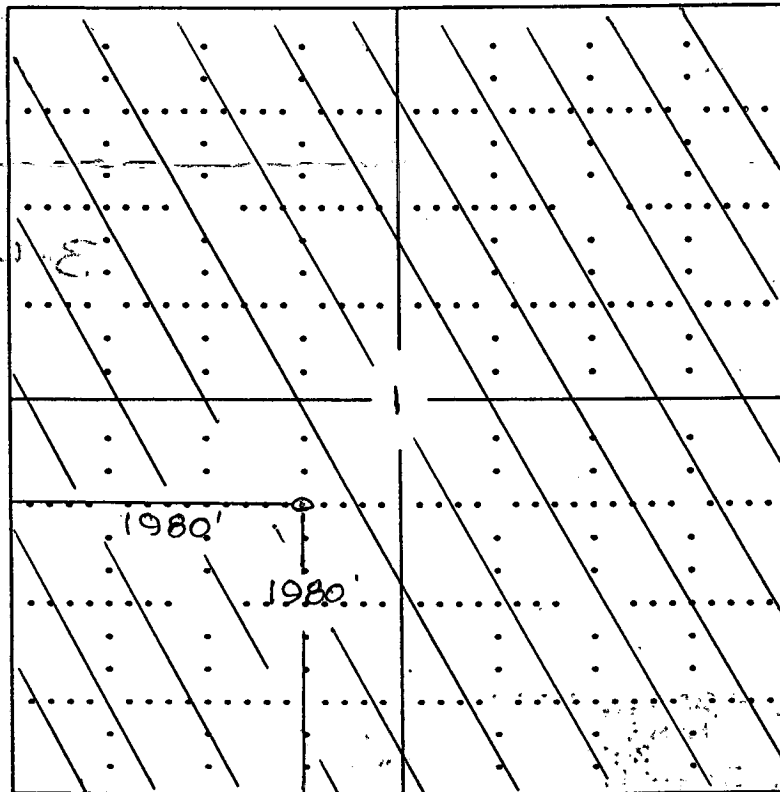
IS SECTION X REGULAR or \_\_\_\_\_ IRREGULAR  
IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.

ALL SECTION 1 18S-40W  
2ND WELL ON UNIT

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.)



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.