

FOR EEC USE:

15-071-20619-00-00

FORM C-1 7/91

EFFECTIVE DATE: 2-19-94

FORM MUST BE TYPED

DISTRICT # 1
SEAT, Yes No

State of Kansas
NOTICE OF INTENTION TO DRILL

FORM MUST BE SIGNED
ALL BLANKS MUST BE FILLED

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

Expected Spud Date February 23, 1994
month day year

Sec NW SE Sec 12 Top 18 S. Rg 43 East West

OPERATOR: License # 31155
Name: Axem Resources Incorporated
Address: 7800 E. Union Ave., Suite 1100
City/State/Zip: Denver, CO 80237
Contact Person: Terry Hoffman
Phone: 303-740-9000

1,850 feet from South / North line of Section
1,950 feet from East West line of Section
IS SECTION X REGULAR IRREGULAR

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

CONTRACTOR: License # 8241
Name: Emphasis Oil Operations

Lease Name: Lawson Well #: 10-12
Field Name: Wildcat

Is this a Pretested/Spaced Field? X yes no
Target Formation(s): V7 Sandstone

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

Nearest lease or unit boundary: 1,750'
Ground Surface Elevation: 3,858' feet MSL

Water well within one-quarter mile: yes X no
Public water supply well within one mile: yes X no

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

Depth to bottom of fresh water: 100'
Depth to bottom of usable water: 1,700'

Surface Pipe by Alternate: 1
Length of Surface Pipe Planned to be set: (300') 200'

Length of Conductor pipe required: 5,300'
Projected Total Depth:

Formation at Total Depth: Mississippian
Water Sources for Drilling Operations:

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

... well ... farm pond X other
DNR Permit #:
Will Cares 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: 2/7/94 Signature of Operator or Agent: Terry L. Hoffman Title: Senior Drilling Technician

FOR EEC USE:
API # 15- 071-20619-0000
Conductor pipe required None feet
Minimum surface pipe required 200 feet per Alt. X(2)
Approved by: CB 2-14-94
This authorization expires: 8-14-94
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: Agent:

REMEMBER TO:

- File Drill Pit Application (form CSP-1) with Intent to Drill;
- File Completion Form ACS-1 within 120 days of spud date;
- File acreage attribution plat according to field production 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: Conservation Division, 200 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1226.

RECEIVED
STATE CORPORATION COMMISSION

FEB 14 1994
2-14-94
CONSERVATION DIVISION
Wichita, Kansas

12
18
43

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 Axem Resources Incorporated
 LEASE Lawson
 WELL NUMBER 10-12
 FIELD Wildcat

LOCATION OF WELL: COUNTY Greeley
 *1,850 feet from South north line of section
 *1,950 feet from East west line of section
 SECTION 12 TWP 18S RC 43W

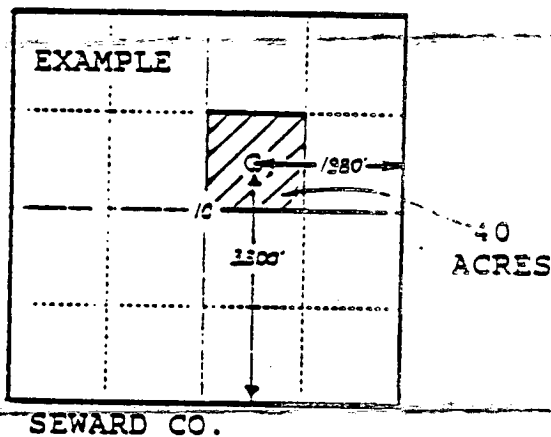
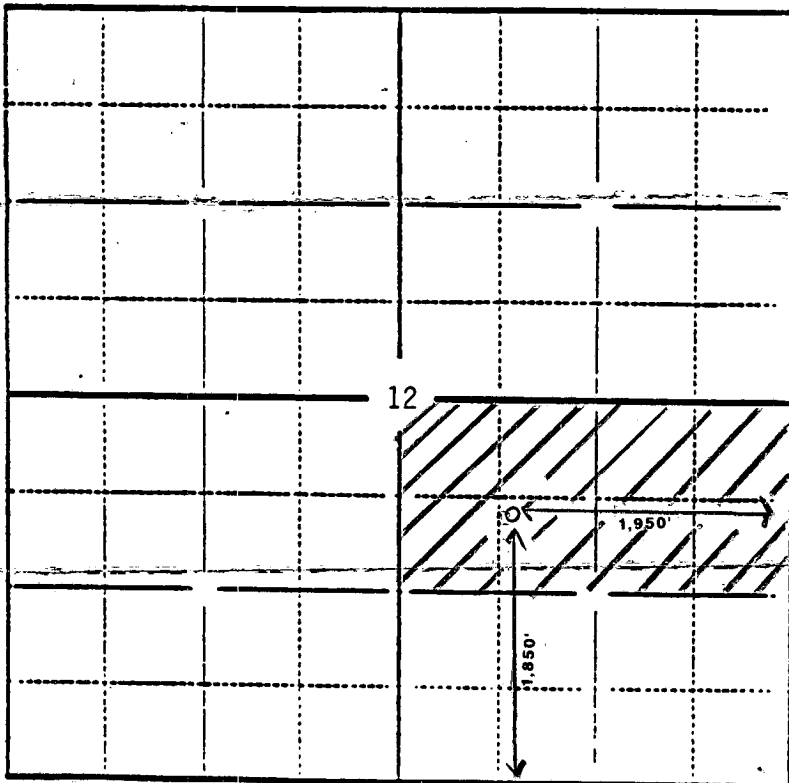
NUMBER OF ACRES ATTRIBUTABLE TO WELL 80
 QTR/QTR/QTR OF ACREAGE N $\frac{1}{2}$ - SE - _____

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

Section corner used: NE NW X 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.