

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

Expected Spud Date 12/15/90
month day year

E/2 E/2 SW/4 Sec 25 Twp 15 S, Rg 42 East West
1320 feet from South line of Section
2980 feet from East line of Section
(Note: Locate well on Section Plat on Reverse Side)

OPERATOR: License # 6593
Name: Coastal Oil & Gas Corporation
Address: 211 N. Robinson, Suite #1700
City/State/Zip: Oklahoma City, Oklahoma 73102
Contact Person: John D. Perry
Phone: (405) 239-7031

County: Wallace
Lease Name: Miller Well #: 1-25
Field Name: Wildcat

CONTRACTOR: License #: To be determined
Name:

Is this a Prorated Field? yes X no
Target Formation(s): Marrow
Nearest lease or unit boundary: 1320'
Ground Surface Elevation: 3810.4' feet MSL
Domestic well within 330 feet: yes X no
Municipal well within one mile: yes X no
Depth to bottom of fresh water: 330'
Depth to bottom of usable water: 1810 *
Surface Pipe by Alternate: 1 X 2
Length of Surface Pipe Planned to be set: 350
Length of Conductor pipe required: None
Projected Total Depth: 5300'
Formation at Total Depth: Mississippian

Well Drilled For: Well Class: Type Equipment:
X Oil ... Inj ... Infield X Mud Rotary
... Gas ... Storage ... Pool Ext. ... Air Rotary
... OWWO ... Disposal X Wildcat ... Cable
... Seismic; ... # of Holes

Water Source for Drilling Operations:
... well X farm pond ... other
DWR Permit #: Farm Pond

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

Will Cores Be Taken?: yes X no
If yes, proposed zone:
* DV tool to be set @ 1860'.

Directional, Deviated or Horizontal wellbore? yes X no
If yes, total depth location:

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. The appropriate district office shall be notified before setting surface pipe;
 2. The minimum amount of surface pipe as specified above 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;
 3. If the well is dry, a plugging proposal shall be submitted to the district office. An agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
 4. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
 5. 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: 11/21/90 Signature of Operator or Agent: [Signature] Title: District Operations Superintendent

FOR KCC USE:
API # 15-199-20195-00-00
Conductor pipe required 1600 feet
Minimum surface pipe required 350 feet per Alt. X ②
Approved by: [Signature] 11-26-90
EFFECTIVE DATE: 11-30-90
This authorization expires: 5-26-91
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: Agent:

RECEIVED
STATE CORPORATION COMMISSION
NOV 26 1990
CONSERVATION DIVISION
Wichita, Kansas
25 15 424

REMEMBER TO:

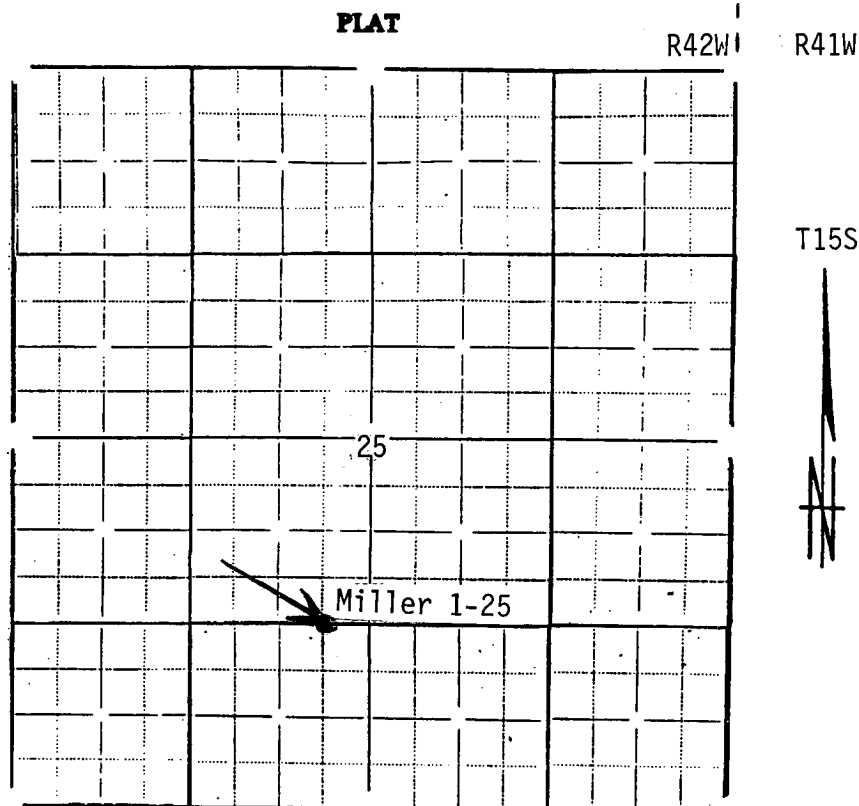
- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.

PLAT OF ACREAGE ATTRIBUTABLE TO A WELL

**State Corporation Commission, Conservation Division
200 Colorado Derby Bldg. Wichita, Kansas 67202**

OPERATOR Coastal Oil & Gas Corporation LOCATION OF WELL:
 LEASE Miller 1320 feet north of SE corner
 WELL NUMBER #1 2980 feet west of SE corner
 FIELD Wildcat SW/4 Sec. 25 T 15S R 42 W
 COUNTY Wallace
 NO. OF ACRES ATTRIBUTABLE TO WELL 640 IS SECTION X REGULAR IRREGULAR?
 DESCRIPTION OF ACREAGE SW/4 IF IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.

NOTE: If plat depicted is insufficient for your circumstances, you may attach your own scaled or surveyed plat.



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 partial sections, 4 sections, 16 sections, etc.;
- 2) the well's location relative to the location of other wells producing from the same common source of supply in adjoining drilling units, pursuant to K.A.R. 82-3-108, 82-3-207, 82-3-312, or special orders of the Commission;
- 3) the distance of the proposed drilling location from the section's east and south lines; and
- 4) the distance to the nearest lease or unit boundary line.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Signature of Operator or Agent [Signature]
 Date 11/21/90 Title District Operations Superintendent