

EFFECTIVE DATE: 6-6-99  
DISTRICT #  
SEAT: Yes  No

State of Kansas 15-071-20709-0000  
NOTICE OF INTENTION TO DRILL

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

Expected Spud Date June 4 1999  
month day year

Spot NE 26 16 42 East  
W/2 APPROX NE 26 16 S. Rg X West

OPERATOR: License # 03581  
Name: Red Oak Energy, Inc.  
Address: 7701 E. Kellogg, Suite 710  
City/State/Zip: Wichita, KS 67207  
Contact Person: Kevin C. Davis  
Phone: (316) 652-7373

830 feet from South (North) line of Section  
1210 feet from East/West line of Section  
IS SECTION X REGULAR IRREGULAR

(NOTE: Locate well on the Section Plat on Reverse Side)  
County: Greeley  
Lease Name: Kriss Well #: 2-26  
Field Name: Wildcat

CONTRACTOR: License #: 30606  
Name: Murfin Drilling Company

Is this a Prorated/Spaced Field? yes X no  
Target Formation(s): Mississippian

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

Nearest lease or unit boundary: 830  
Ground Surface Elevation: 830 3780 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: 280'  
Depth to bottom of usable water: 1880'

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

Surface Pipe by Alternate: 1 X 2  
Length of Surface Pipe Planned to be set: 340'  
Length of Conductor pipe required: None  
Projected Total Depth: 5200'  
Formation at Total Depth: Mississippian  
Water Source for Drilling Operations:  
X well farm pond other

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

DWR Permit #: APPLY FOR FROM DWR  
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: 5/27/99 Signature of Operator or Agent: [Signature] Title: President

FOR KCC USE: 071-20709 0000  
 API # 15-  
 Conductor pipe required NONE feet  
 Minimum surface pipe required 300 feet per Alt. X(2)  
 Approved by: JK 6-1-99  
 This authorization expires: 12-1-99  
 (This authorization void if drilling not started within 6 months of effective date.)  
 Spud date: Agent:

RECEIVED  
STATE CORPORATION COMMISSION  
JUN 07 1999  
06-01-99  
CONSERVATION DIVISION  
Wichita, Kansas

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: Conservation Division, 208 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1286.

26  
16  
42W

**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 Red Oak Energy, Inc.  
 LEASE Kriss  
 WELL NUMBER 2-26  
 FIELD Wildcat

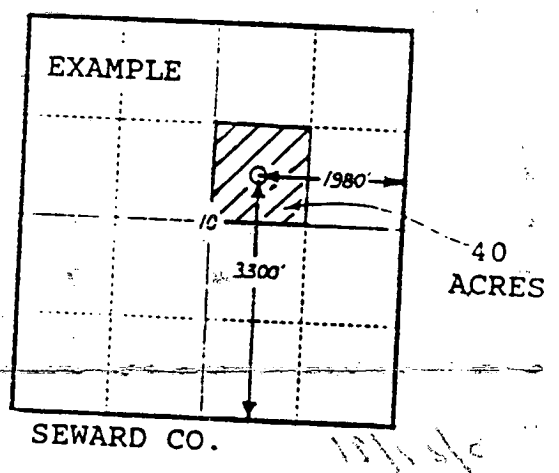
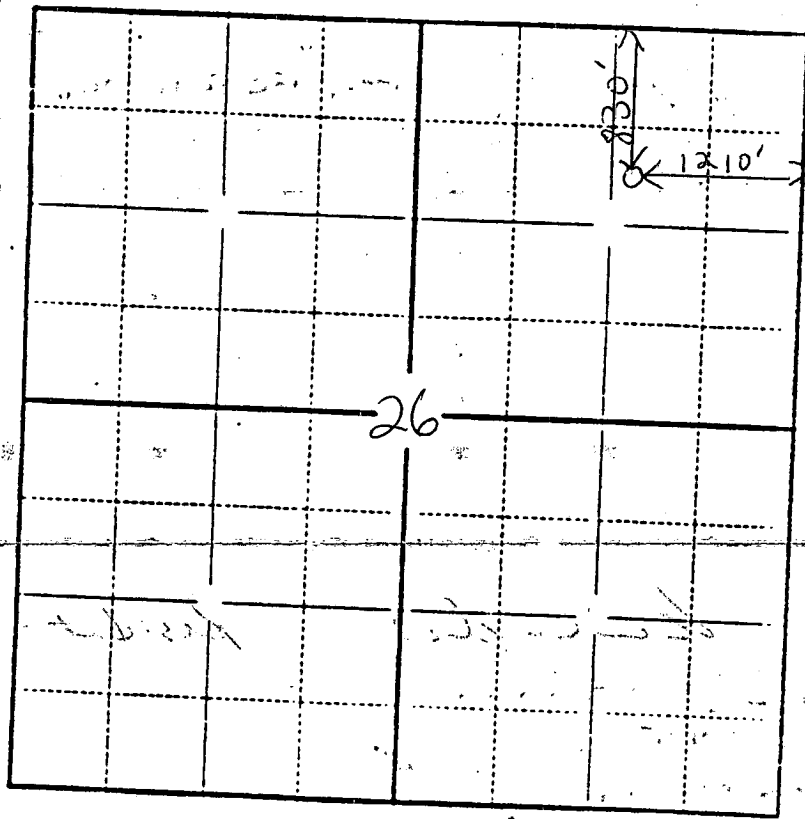
LOCATION OF WELL: COUNTY Greeley  
830 feet from south/north line of section  
1210 feet from east/west line of section  
 SECTION 26 TWP 16 RG 42

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

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

Section corner used:  NE  NW  SE  SW

(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.