

FOR KCC USE:

EFFECTIVE DATE: 3-2-92

DISTRICT #

SGA? Yes. X No

15-071-20558-0000

FORM C-1 7/91
FORM MUST BE TYPED
FORM MUST BE SIGNED
ALL BLANKS MUST BE FILLED

State of Kansas

NOTICE OF INTENTION TO DRILL

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

Expected Spud Date: March 31, 1992
month day year

Spot 5/2 SE Sec 22 Twp 16 S, Rg 42 East West

OPERATOR: License # 3581
Name: Red Oak Energy, Inc.
Address: 200 W. Douglas, Suite 510
City/State/Zip: Wichita, Kansas 67202
Contact Person: Kevin C. Davis
Phone: 316-265-9925

660 feet from South XXXXX line of Section
1320 feet from East XXXXX line of Section
IS SECTION X REGULAR IRREGULAR

CONTRACTOR: License # 30606
Name: Murfin Drilling

(NOTE: Locate well on the Section Plat on Reverse Side)
County: Greeley
Lease Name: Young Well #: 2-22
Field Name: Wildcat

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

Is this a Prorated/Spaced Field? yes X no
Target Formation(s): Morrow, Mississippi
Nearest lease or unit boundary: 660'
Ground Surface Elevation: 3821' est feet MSL

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

Water well within one-quarter mile: X yes no
Public water supply well within one mile: yes X no
Depth to bottom of fresh water: 180'
Depth to bottom of usable water: 1890'

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

Surface Pipe by Alternate: 1 X 340'
Length of Surface Pipe Planned to be set:
Length of Conductor pipe required: 5250'

Bottom Hole Location

Projected Total Depth: Mississippi
Formation at Total Depth:
Water Source for Drilling Operations:
X well ... farm pond ... other

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: February 24, 1992 Signature of Operator or Agent: [Signature] Title: President

FOR KCC USE:
API # 15- 071-20,558-00-00
Conductor pipe required 1000 feet
Minimum surface pipe required 300 feet per Alt. (2)
Approved by: [Signature] 2-26-92
This authorization expires: 8-26-92
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: Agent:

RECEIVED
STATE CORPORATE COMMISSION
FEB 26 1992
02-26-92
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 (GP-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 67202-1286.

22
16
[Signature]

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 Young 2-22
 WELL NUMBER 2-22
 FIELD Wildcat

LOCATION OF WELL: COUNTY Greeley
 _____ feet from south/north line of section
660
 _____ feet from east/west line of section
1320
 SECTION 22 TWP 16s RG 42w

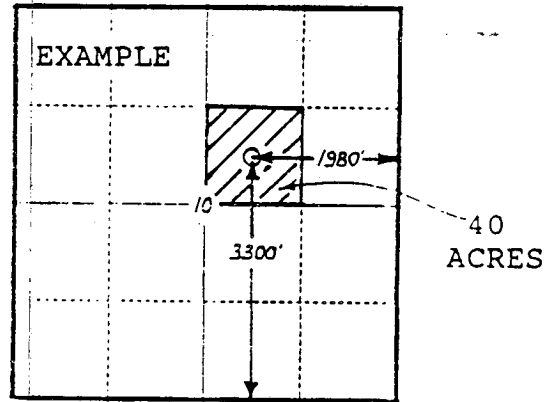
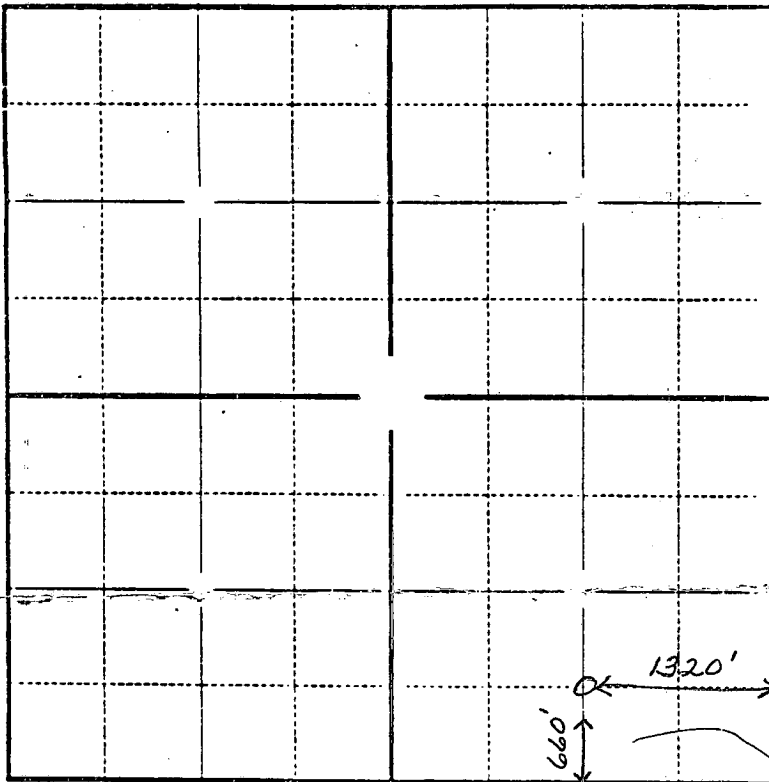
NUMBER OF ACRES ATTRIBUTABLE TO WELL N/A
 QTR/QTR/QTR OF ACREAGE N/A - N/A - N/A

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

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.

*NOT PRORATED
OR SPACED
ACRES OR ACRE*

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.