

15-071-20695-0000

EFFECTIVE DATE: 10-11-98

State of Kansas

NOTICE OF INTENTION TO DRILL

DISTRICT # 1  
SEAL Yes X No

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

Expected Spud Date October 10 1998  
month day year

Spot 60' W of SW SE SE Sec 2 Twp 16 S, Rg 42 East X West

OPERATOR: License # 03581  
Name: Red Oak Energy, Inc.  
Address: P.O. Box 783140  
City/State/Zip: Wichita, KS 67278  
Contact Person: Kevin C. Davis  
Phone: (316) 652-7373

330 feet from South North line of Section  
1050 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 # 30606  
Name: Murfin Drilling Co.

Lease Name: Sell Well #: 1-2

Field Name: Wildcat

Is this a Prorated/Spaced Field? yes X no

Target Formation(s): Mississippian

Nearest lease or unit boundary: 330

Ground Surface Elevation: 3777 feet MSL

Water well within one-quarter mile: yes X no

Public water supply well within one mile: yes X no

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  
Other

Depth to bottom of fresh water: 250

Depth to bottom of usable water: 1870

Surface Pipe by Alternate: 1 X 2

Length of Surface Pipe Planned to be set: 330

Length of Conductor pipe required: N/A

Projected Total Depth: 5200

Formation at Total Depth: Mississippian

Water Source for Drilling Operations:

well farm pond other

DWR Permit #:

Will Cores Be Taken? yes X no

If yes, proposed zone:

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

Directional, Deviated or Horizontal wellbore? yes X no

If yes, true vertical depth:

Bottom Hole 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. 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: 10/2/98 Signature of Operator or Agent Title: President

FOR KCC USE: API # 15- 071-206950000
Conductor pipe required NONE feet
Minimum surface pipe required 270 feet per Alt. X(2)
Approved by: JK 10-6-98
This authorization expires: 4-6-99
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: Agent:

RECEIVED KANSAS CORP. CO. 1998 OCT-6 A 11:44 RWR 10-06-98

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, 200 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1286.

**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 Sett  
 WELL NUMBER 1-2  
 FIELD Widdcat

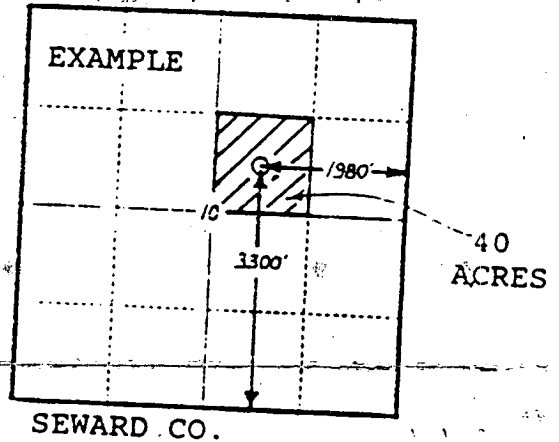
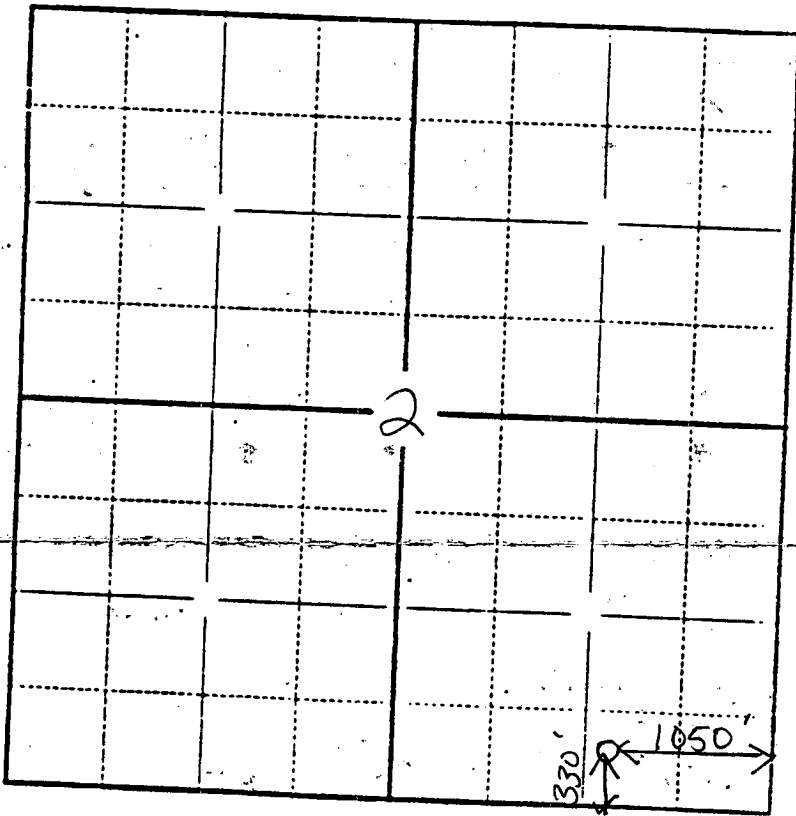
LOCATION OF WELL: COUNTY Greeley  
 \_\_\_\_\_ 330 feet from south north line of section  
 \_\_\_\_\_ 1050 feet from east/west line of section  
 SECTION 2 TWP 16 RG 42

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

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

Section corner used: NE NW X 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.