

EFFECTIVE DATE: 5-20-91

State of Kansas

15-199-20201-0000

ALL BLANKS MUST BE FILLED

NOTICE OF INTENTION TO DRILL

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

Expected Spud Date May 14 1991
month day year

NW NW SW Sec 32 Twp 15 S, Rg 41 East West

2310 feet from South line of Section
4950 feet from East line of Section

(Note: Locate well on Section Plat on Reverse Side)

OPERATOR: License # 9855
Name: Grand Mesa Operating Company
Address: 200 E. First St., Suite 307
City/State/Zip: Wichita, Ks. 67202
Contact Person: Ronald N. Sinclair
Phone: (316) 265-3000

County: Wallace
Lease Name: Resolute Well #: 1-32
Field Name: UNNAMED

CONTRACTOR: License #: 03779
Name: Norseman Drilling, Inc.

Is this a Prorated Field? yes no
Target Formation(s): Morrow
Nearest lease or unit boundary: 330'
Ground Surface Elevation: 3773 feet MSL

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

Domestic well within 330 feet: yes no
Municipal well within one mile: yes no
Depth to bottom of fresh water: 150'
Depth to bottom of usable water: 1710'

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

Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 320'
Length of Conductor pipe required: 0
Projected Total Depth: 5400'
Formation at Total Depth: Morrow

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

Water Source for Drilling Operations:
 well farm pond other
DWR Permit #: Applied for
Will Cores Be Taken?: yes 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. 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: May 14, 1991 Signature of Operator or Agent: _____ Title: President

FOR KCC USE:

API # 15- 199-20201-00-00
 Conductor pipe required None feet
 Minimum surface pipe required 320 feet per Alt. ●②
 Approved by: MANO 5-15-91
 EFFECTIVE DATE: 5-20-91
 This authorization expires: 11-15-91
 (This authorization void if drilling not started within 6 months of effective date.)
 Spud date: _____ Agent: _____

CONSERVATION DIVISION
Wichita, Kansas

MAY 14 1991

RECEIVED
STATE DEPARTMENT OF COMMISSION

32 15 41W

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 Grand Mesa Operating Company
LEASE Resolute
WELL NUMBER #1-32
FIELD

LOCATION OF WELL:
2310 feet north of SE corner
4950 feet west of SE corner
NW/SW Sec. 32 T 15S R 41 E

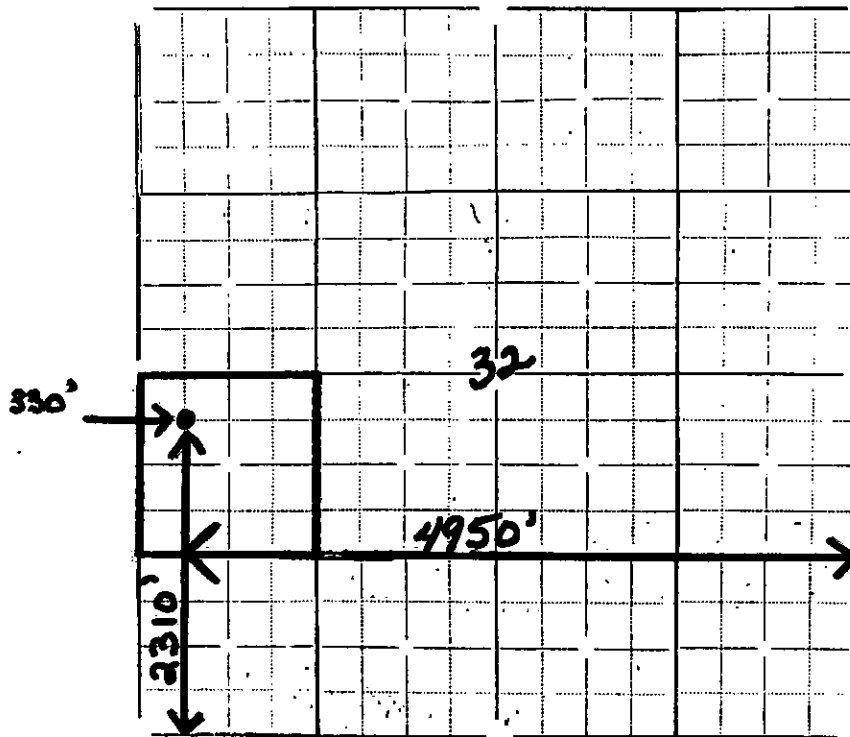
NO. OF ACRES ATTRIBUTABLE TO WELL 40

COUNTY Wallace
IS SECTION X REGULAR IRREGULAR?
IF IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.

DESCRIPTION OF ACREAGE NW/4 SW/4

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

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 May 14, 1991 Title President