

15-199-20298-0000

For KCC Use: 5-25-03
Effective Date: 5-25-03
District #: 4
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

Form C-1
September 1999
Form must be Typed
Form must be Signed
All blanks must be Filled

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date 6-1-03
month / day / year

Spot East West
E/2 NE - SE Sec. 15 Twp. 14 S. R. 39
1980 feet from (S) 1 (circle one) Line of Section
330 feet from (E) 1 (circle one) Line of Section
Is SECTION Regular Irregular?

OPERATOR: License# 32302
Name: Key Gas Corp.
Address: 155 N. Market
City/State/Zip: Wichita, Kansas 67202
Contact Person: Rod Andersen
Phone: 316-265-2270

(Note: Locate well on the Section Plat on reverse side)
County: Wallace
Lease Name: Larson Well #: 1
Field Name: _____
Is this a Prorated / Spaced Field? Yes No

CONTRACTOR: License# _____
Name: _____
ADVISE ON ACO-1: MUST BE LICENSED WITH KCC

Target Formation(s): Morrow
Nearest Lease or unit boundary: 330
Ground Surface Elevation: Est. 3585 feet MSL
Water well within one-quarter mile: Yes No
Public water supply well within one mile: Yes No
Depth to bottom of fresh water: 250
Depth to bottom of usable water: 1700
Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 300
Length of Conductor Pipe required: NONE
Projected Total Depth: 5500
Formation at Total Depth: Mississippian

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

If OWWO: old well information as follows:
Operator: _____
Well Name: _____
Original Completion Date: _____ Original Total Depth: _____

Directional, Deviated or Horizontal wellbore? Yes No
If Yes, true vertical depth: _____
Bottom Hole Location: _____
KCC DKT #: _____

Water Source for Drilling Operations:
Well _____ Farm Pond _____ Other trucked
DWR Permit #: _____
(Note: Apply for Permit with DWR)
Will Cores be taken? Yes No
If Yes, proposed zone: _____

MAY 15 2003

AFFIDAVIT

The undersigned hereby affirms that the drilling operation 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.*

RECEIVED
KANSAS CORPORATION COMMISSION

MAY 20 2003

CONSERVATION DIVISION
WICHITA, KS

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

Date: 5/14/03 Signature of Operator or Agent: Rod Andersen Title: Geologist

For KCC Use ONLY
API # 15 - 199-20298-0000
Conductor pipe required NONE feet
Minimum surface pipe required 300 feet per Alt. (2)
Approved by: RSP 5-20-03
This authorization expires: 11-20-03
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

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.

15 14 39w

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

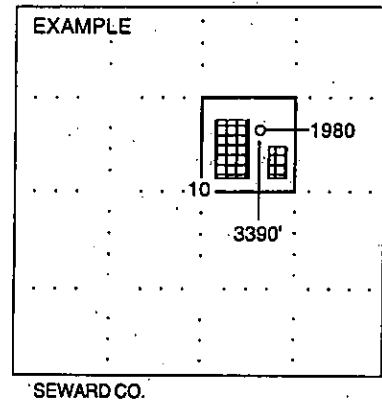
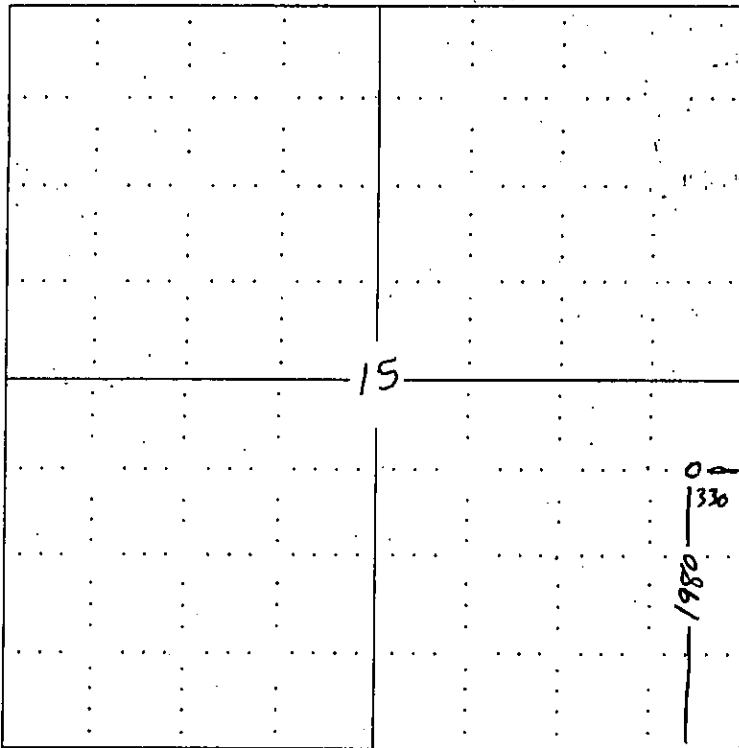
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and 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: _____
 Lease: _____
 Well Number: _____
 Field: _____
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: _____

Location of Well: County: _____
 _____ feet from N / S Line of Section
 _____ feet from E / W Line of Section
 Sec. _____ Twp. _____ S. R. _____ East West
 Is Section: 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.)*



NOTE: In all cases locate the spot of the proposed drilling location.

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.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).