

\* Correction \*

RECEIVED 15-199-20289-0000  
STATE CORPORATION COMMISSION

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

JAN 18 2002

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

NOTICE OF INTENT TO DRILL

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

For KCC Use:  
Effective Date: 1-27-02  
District #: 4  
SGA?  Yes  No

Expected Spud Date: 1 25 02  
month day year

Spot: NE-NE-NE ✓  
331 feet from N (circle one) Line of Section  
330 feet from E (circle one) Line of Section  
Is SECTION X Regular Irregular?

OPERATOR: License# 32959 ✓  
Name: Deep Rock Exploration, Inc.  
Address: 111 W. 12th  
City/State/Zip: Goodland, Kansas 67735  
Contact Person: Ross McGukin  
Phone: (785) 899-7060

(Note: Locate well on the Section Plat on reverse side)

County: Wallace  
Lease Name: LARSON Well #: 1

CONTRACTOR: License#  
Name: BHK

ADVISE ON ACO-1; MUST  
BE LICENSED WITH KCC

Well Drilled For:  Oil  Gas  OWO  Seismic; # of Holes  Other  
Well Class:  Enh Rec  Storage  Disposal  Other  
Type Equipment:  Mud Rotary  Air Rotary  Cable

Field Name:  
Is this a Prorated / Spaced Field?  Yes  No  
Target Information(s): Morrow  
Nearest Lease or unit boundary: 330  
Ground Surface Elevation: 3527 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: 300  
Depth to bottom of usable water: 1650  
Surface Pipe by Alternate: 1 X 2  
Length of Surface Pipe Planned to be set: 350  
Length of Conductor Pipe required:  
Projected Total Depth: 6000  
Producing Formation Target: Morrow  
Water Source for Drilling Operations:  
Well Farm Pond Other X

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 #:

(Note: Apply for Permit with DWR )  
Will Cores be taken?  Yes  No  
If Yes, proposed zone:

\* WAS: Schmalzried #2 15: LARSON #1

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: 1-18-02 Signature of Operator or Agent: Ross R. McGukin Title: President

For KCC Use ONLY  
API # 15 - 199-20289-0000  
Conductor pipe required NONE feet  
Minimum surface pipe required 350 feet per Alt. ②  
Approved by: RJP 1-22-2002  
This authorization expires: 7-22-2002  
(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