

15-171-20529-00-00

FORM C-1 7/91

FOR KCC USE:

EFFECTIVE DATE: 2-24-98

DISTRICT # 1

SGA? Yes No

State of Kansas
NOTICE OF INTENTION TO DRILL

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

FORM MUST BE TYPED
FORM MUST BE SIGNED
ALL BLANKS MUST BE FILLED

Expected Spud Date 02 23 98 Approx Spot SE NW Sec 12 Twp 18 S Rg 32 East West

OPERATOR: License # 31251
Name: Wabash Energy Corporation
Address: P.O. Box 595
City/State/Zip: Lawrenceville, IL 62439
Contact Person: Larry Whitmer
Phone: (618)-945-3365

CONTRACTOR: License #: 30684
Name: Abercrombie RTQ, Inc.

Well Drilled For: Well Class: Type Equipment:
Oil Enh Rec Infield Mud Rotary
Gas Storage Pool Ext Air Rotary
OWO Disposal Wildcat Cable
Seismic # of Holes Other
If OWO: old well information as follows:
Operator:
Well Name:
Comp. Date: Old Total Depth

1985 feet from South (North) line of Section
1933 feet from East (West) line of Section
IS SECTION X REGULAR IRREGULAR?
(NOTE: Locate well on the Section Plat on Reverse Side)
County: Scott
Lease Name: Schovalter Well #: #2
Field Name: UN-NAMED
Is this a Prorated/Spaced Field? yes X no
Target Formation(s): LKC, Marmaton
Nearest lease or unit boundary: 655
Ground Surface Elevation: 2964 feet MSL
Water well within one-quarter mile: yes X no
Public water supply well within one mile: yes X no
Depth to bottom of fresh water: 180
Depth to bottom of usable water: 1600
Surface Pipe by Alternate: 1 X 2
Length of Surface Pipe Planned to be set: 275'
Length of Conductor pipe required: N/A
Projected Total Depth: 4700
Formation at Total Depth: Mississippi
Water Source for Drilling Operations:
well farm pond X other

Directional, Deviated or Horizontal wellbore? yes X no
If yes, true vertical depth:
Bottom Hole Location:

Will Cores Be Taken? yes X 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. 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: 02-18-98 Signature of Operator or Agent: Title: President

RECEIVED
FEB 19 1998
CONSERVATION DIVISION
Wichita, Kansas

FOR KCC USE:
API # 15- 171-205290000
Conductor pipe required NONE feet
Minimum surface pipe required 200 feet per Alt. X(2)
Approved by: JK 2-19-98
This authorization expires: 8-19-98
(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.

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202.

12
18
32W

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 Webash Energy Corporation
 LEASE Schwalter
 WELL NUMBER #2
 FIELD _____

LOCATION OF WELL: COUNTY Scott
 _____ 1985 feet from south (north) line of section
 _____ 1933 feet from east (west) line of section
 SECTION 12 TWP 18S RG 32W

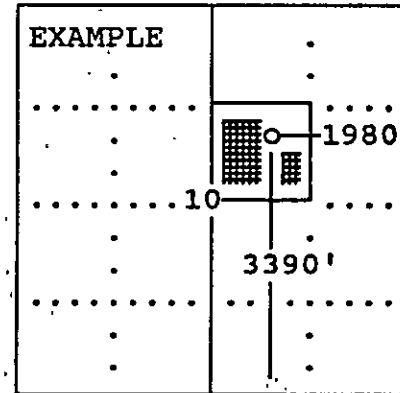
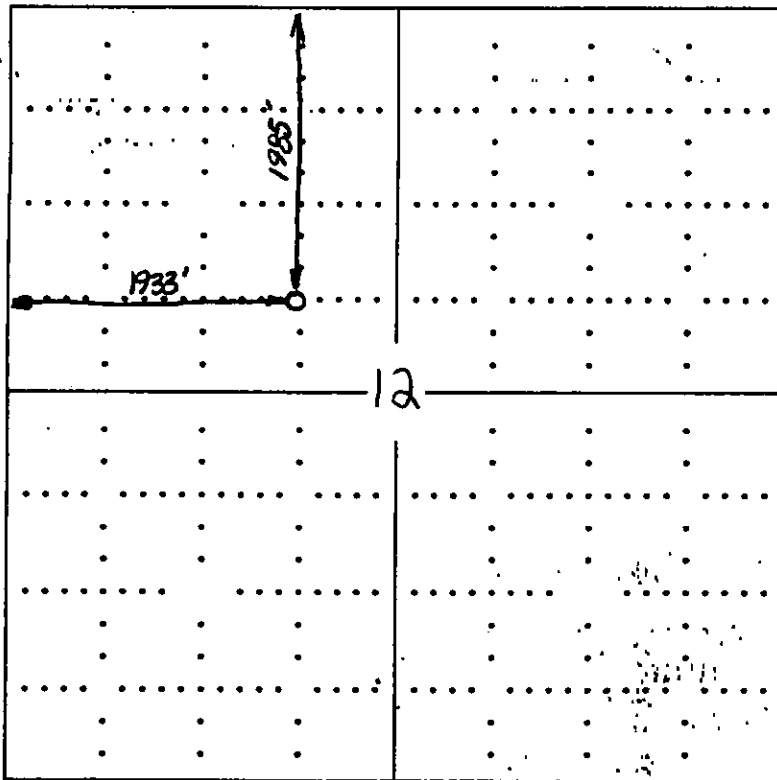
NUMBER OF ACRES ATTRIBUTABLE TO WELL _____
 OTR/OTR/OTR OF ACREAGE _____

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.

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; and
- 3) the distance to the nearest lease or unit boundary line.