

15-071-20690-0000

FOR KCC USE:

FORM C-1 7/91

EFFECTIVE DATE: 5-19-98

State of Kansas

FORM MUST BE TYPED

DISTRICT # 1

NOTICE OF INTENTION TO DRILL

FORM MUST BE SIGNED

SSA? Yes

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

ALL BLANKS MUST BE FILLED

Expected Spud Date June 1, 1998
month day year

Spot SE 1/4 SW 1/4 Sec 23 Twp 17S S. Rg 40W East West

OPERATOR: License # 32199
Name: Flex Systems, Inc
Address: P.O. Box 730 216 Industrial Dr.
City/State/Zip: Forney, TX 75126
Contact Person: James Arnold
Phone: (972) 864-1518

1320 feet from South North line of Section
1320 feet from East West line of Section
IS SECTION REGULAR IRREGULAR

(NOTE: Locate well on the Section Plat on Reverse Side)
County: Greeley
Lease Name: Wear Trust Well #: 1
Field Name: Byerly

CONTRACTOR: License #: 5382
Name: Chayenne Drilling

Is this a Prorated/Spaced Field? yes no
Target Formation(s): Chase Group
Nearest lease or unit boundary: 1320'

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

Ground Surface Elevation: 3587.7 feet MSL
Water well within one-quarter mile: yes no
Public water supply well within one mile: yes no

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

Depth to bottom of fresh water: 200'
Depth to bottom of usable water: 200' 1600'
Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 250'
Length of Conductor pipe required: N/A
Projected Total Depth: 3100'

Formation at Total Depth: Chase Group
Water Source for Drilling Operations:
... well ... farm pond other

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

Will Cores Be Taken? yes no
If yes, proposed zone: _____

CORRECTION 7-13-98

AFFIDAVIT

I, 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: 5/13/98 Signature of Operator or Agent: James Arnold Title: President

FOR KCC USE:
API # 15- 071-206900000
Conductor pipe required NONE feet
Minimum surface pipe required 220 feet per Alt. X(2)
Approved by: JK 5-14-98

This authorization expires: 11-14-98
(This authorization void if drilling not started within 6 months of effective date.)

Spud date: _____ Agent: _____

RECEIVED
KANSAS CORPORATION COMMISSION

MAY 14 1998

CONSERVATION DIVISION
WICHITA, KS

73
17
400

- MEMBER 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 prorations 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.