15-071-20690-0000

FOR KCC USE: CORRECTED

FORM C-1 7/91
FORM MUST BE TYPED
FORM MUST BE SIGNED
ALL BLANKS MUST BE FILLED

EFFECTIVE DATE: 5-19-98
DISTRICT # 1
SGA? ....Yes X No

State of Kansas
NOTICE OF INTENTION TO DRILL
Must be approved by the K.C.C. five (5) days prior to commencing well.

Expected Spud Date ...June 1, 1998... month day year

Spot * C SW/4 Sec 23 Twp 17S S, Rg 40W East X West

1320 feet from South / North line of Section
1320 feet from East / West line of Section WEST

IS SECTION X REGULAR ___ IRREGULAR?
(NOTE: Locate well on the Section Plat on Reverse Side)

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

CONTRACTOR: License #: 5382
Name: Chayenne Drilling

County: Greeley
Lease Name: Wear Trust Well #: 1
Field Name: Byerly
Is this a Prorated/Spaced Field? .... yes X no
Target Formation(s): Chase Group
Nearest lease or unit boundary: 1320'
Ground Surface Elevation: 3587.7 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: 200'
Depth to bottom of usable water: ~~200'~~ 1600
Surface Pipe by Alternate: .... 1 X 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 X other

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

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

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:

* SPOT WAS: C SE SPOT IS: C SW
* WAS: 1330' FEL IS: 13 FEL FWD.

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:

JUL 06

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: [signature] Title: President

MAILED
MAY 14 1998
CONSERVATION DIVISION
Wichita, Kansas

FOR KCC USE:
API # 15- 071-20690 0000
Conductor pipe required NONE feet
Minimum surface pipe required 220 feet per Alt. X (2)
Approved by: JK 5-14-98 / COB 7-15-98 JK
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

23
17
40W

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 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.