

FOR KCC USE:

RWO
6-2-98

* SKID RIG
15-071-20691-0000

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

EFFECTIVE DATE: 6-9-98

State of Kansas

DISTRICT # 1

NOTICE OF INTENTION TO DRILL

ES&T... YES No

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

Expected Spud Date June 4 1998
month day year

Spot 160'S & 210'E of NW. NW. NW. Sec 23. Twp 20. S. Rg 42. East West

OPERATOR: License # 32283
Name: Western Operating Company
Address: 518 17th St. Suite 1680
City/State/Zip: DENVER, CO. 80202
Contact Person: Steven D. James
Phone: 303/893-2438

490' feet from XXXX North line of Section
540' feet from ENX West line of Section
IS SECTION X REGULAR IRREGULAR?

CONTRACTOR: License #: 30606
Name: Murfin Drilling Company

(NOTE: Locate well on the Section Plat on Reverse Side)
County: Greeley
Lease Name: SIVERTON Well #: 1-X
Field Name: Wildcat

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

Is this a Prorated/Spaced Field? ... yes X.. no
Target formation(s): MOXION
Nearest lease or unit boundary: 490'
Ground Surface Elevation: 3739.7' feet MSL
Water well within one-quarter mile: ... yes X.. no
Public water supply well within one mile: 180' ... yes X.. no
Depth to bottom of fresh water: 1350'
Depth to bottom of usable water: 1350'
Surface Pipe by Alternate: ... 1 ... 2
Length of Surface Pipe Planned to be set: 500'
Length of Conductor pipe required:
Projected Total Depth: 5200'
Formation at Total Depth: MOXION
Water Source for Drilling Operations:
... well X.. farm pond ... 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:

* RIG WAS SKID FROM SIVERSON #1

AFFIDAVIT

440' FNL 440' FEL LOST HOLE

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 set:

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 IS 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: June 2, 1998 Signature of Operator or Agent: Steven D. James Title: Vice President

FOR KCC USE:
API # 15- 071-206910000
Conductor pipe required NONE feet
Minimum surface pipe required 200 feet per Alt. X(2)
Approved by: SK 6-4-98
This authorization expires: 12-4-98
(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 ACC-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.