

FOR KCC USE:

FORM C-1 7/91

EFFECTIVE DATE: 9-12-99

State of Kansas

15-071-2071-0000

FORM MUST BE TYPED

DISTRICT # 1

NOTICE OF INTENTION TO DRILL

FORM MUST BE SIGNED

SGA? Yes  No

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

ALL BLANKS MUST BE FILLED

Expected Spud Date ..09.....15.....99..... APP. 5/2 NE/4 SW/4..... Sec .19. Twp .20 S, Rg .39 X West  
month day year

OPERATOR: License # ...4894.....  
Name: .Horseshoe Operating, Inc.....  
Address: .500 W. Texas, Suite 1190.....  
City/State/Zip: .Midland, Tx 79701.....  
Contact Person: .S. L. Burns.....  
Phone: .(915) 683-1448.....

.....1500..... feet from South / North Line of Section  
.....1980..... feet from East / West line of Section  
IS SECTION X REGULAR \_\_\_\_\_ IRREGULAR?

(NOTE: Locate well on the Section Plat on Reverse Side)  
County: ..Greeley.....  
Lease Name: .Watson Farms..... Well #: .2 ..  
Field Name: ...Bradshaw.....

CONTRACTOR: License #: ...30606.....  
Name: ...Murfin Drilling Co., Inc.....

\* Is this a Prorated/Spaced Field? ..  yes  no  
Target Formation(s): .Winfield.....  
Nearest lease or unit boundary: ..1500'.....  
Ground Surface Elevation: ..3530.7..... 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: ..1340'.....  
Surface Pipe by Alternate: ..... 1 ..X. 2  
Length of Surface Pipe Planned to be set: ...220'.....  
Length of Conductor pipe required: .....  
Projected Total Depth: ..2700'.....  
Formation at Total Depth: ....Winfield.....  
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.....

\* BRADSHAW FIELD IS NOT PRORATED OR SPACED  
IN GREELEY COUNTY.

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: .09/01/99..... Signature of Operator or Agent: S. L. Burns Title: Vice President

FOR KCC USE:  
API # 15- 071-207110000  
Conductor pipe required NONE feet  
Minimum surface pipe required 220 feet per Alt. X(2)  
Approved by: SK 9-7-99  
This authorization expires: 3-7-2000  
(This authorization void if drilling not started within 6 months of effective date.)  
Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

19  
20  
39W

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 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.

