

FOR KCC USE:

FORM C-1 7/91

EFFECTIVE DATE: 6-2-93

FORM MUST BE TYPED

DISTRICT # 1

State of Kansas

FORM MUST BE SIGNED

SEAL Yes No

NOTICE OF INTENTION TO DRILL 15-071-20600-0000

ALL BLANKS MUST BE FILLED

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

Expected Spud Date July 18 1993
month day year

Sec 7 Twp 20 S. Rg 39 East West

OPERATOR License # 7040
Name: Dernick Resources, Inc.
Address: 515 W. Greens Road, Suite 1150
City/State/Zip: Houston, TX 77067
Contact Person: Terry Maxwell
Phone: (316)624-1985

1980 feet from South North line of Section
1980 feet from East West line of Section
IS SECTION X REGULAR IRREGULAR?

CONTRACTOR License #: N/A
Name:

(NOTE: Locate well on the Section Plat on Reverse Side)
County: Greeley
Lease Name: Foster Well #: 2-7
Field Name: Bradshaw

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

Is this a Prorated/Spaced Field? ... yes X no
Target Formation(s): Winfield
Nearest lease or unit boundary: 1980

if OUVO, old well information as follows:
Operator:
Well Name:
Comp. Date: Old Total Depth

Ground Surface Elevation: 3534 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: 235

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

Depth to bottom of usable water: 1475
Surface Pipe by Alternate: 1 X 255
Length of Surface Pipe Planned to be set: 255
Length of Conductor pipe required: none

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:

Projected Total Depth: 2930
Formation at Total Depth: Lower Ft. Riley
Water Source for Drilling Operations:
... well ... farm pond X other

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: May 26, 1993 Signature of Operator or Agent: Terry Maxwell Title: Agent

FOR KCC USE:
API # 15- 071-20600-00-00
Conductor pipe required: None feet 255
Minimum surface pipe required: 20 feet per Alt. X 0
Approved by: CB 5-28-93

This authorization expires: 11-28-93
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

REMEMBER TO:

- File Drill Pit Application (form COP-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: Conservation Division, 200 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1284

RECEIVED STATE CORPORATION COMMISSION

MAY 28 1993

CONSERVATION DIVISION Wichita, Kan.

N
20

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 _____
LEASE _____
WELL NUMBER _____
FIELD _____

LOCATION OF WELL: COUNTY _____
_____ feet from south/north line of section
_____ feet from east/west line of section
SECTION _____ TWP _____ RG _____

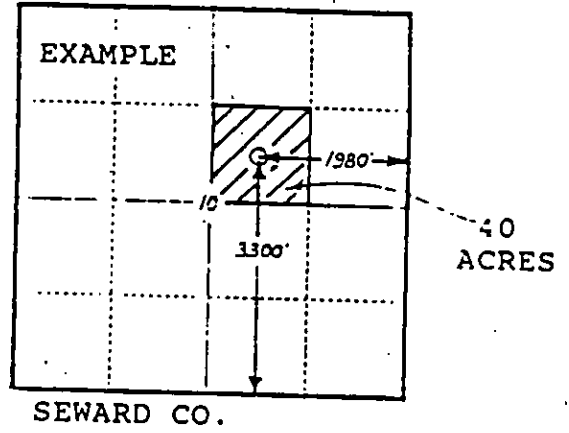
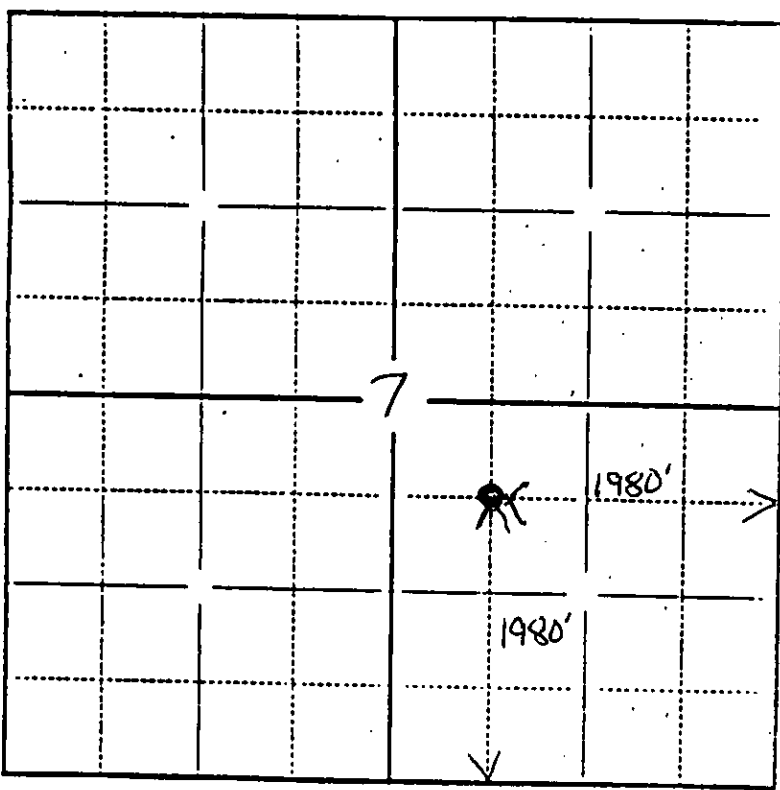
NUMBER OF ACRES ATTRIBUTABLE TO WELL _____
QTR/QTR/QTR OF ACREAGE _____

IS SECTION _____ 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.)



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