

FOR KCC USE:

FORM C-1/7/91

EFFECTIVE DATE: 4-16-97

FORM MUST BE TYPED

DISTRICT # 1

State of Kansas  
NOTICE OF INTENTION TO DRILL

FORM MUST BE SIGNED

SEA7... 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 April 17 1997  
month day year

Spot SE SE NE Sec 18 Twp 16 S. Rg 27 West

OPERATOR: License # 31283  
Name: Rheem Resources, Inc.  
Address: 100 S. Main Ste. 505  
City/State/Zip: Wichita, KS 67202  
Contact Person: James L. Rheem  
Phone: 316-262-5099

2970 feet from South North line of Section  
330 feet from East West line of Section  
IS SECTION  REGULAR  IRREGULAR?

CONTRACTOR: License #: 30684  
Name: Abercrombie RID

(NOTE: Locate well on the Section Plat on Reverse Side)

County: Lane  
Lease Name: Gates A Well #: 1  
Field Name: N/A

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

Is this a Prorated/Spaced Field? ... yes  no  
Target Formation(s): Mississippian  
Nearest lease or unit boundary: 330  
Ground Surface Elevation: Est. 2625 feet MSL

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

Water well within one-quarter mile: yes  no  
Public water supply well within one mile: yes  no  
Depth to bottom of fresh water: 180'  
Depth to bottom of usable water: 1200'

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

Surface Pipe by Alternate: 1  2  
Length of Surface Pipe Planned to be set: 300  
Length of Conductor pipe required:  
Projected Total Depth: 4600  
Formation at Total Depth: Mississippian

Water Source for Drilling Operations:  
... well ... farm pond ... other  
DWR Permit #:  
Will Cores Be Taken? ... yes  no  
If yes, proposed zone:

AFFIDAVIT

RECEIVED  
KANSAS CORPORATION COMMISSION

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:

APR 11 1997  
04-11-1997  
CONSERVATION DIVISION  
WICHITA, KS

- 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: 4-11-97 Signature of Operator or Agent: [Signature] Title: Office Mgr

FOR KCC USE:  
API # 15- 101-217410000  
Conductor pipe required NONE feet  
Minimum surface pipe required 200' feet per Alt.  (2)  
Approved by: JK 4-11-97  
This authorization expires: 10-11-97  
(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 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 67202-1286.

18  
16  
27W

**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 \_\_\_\_\_

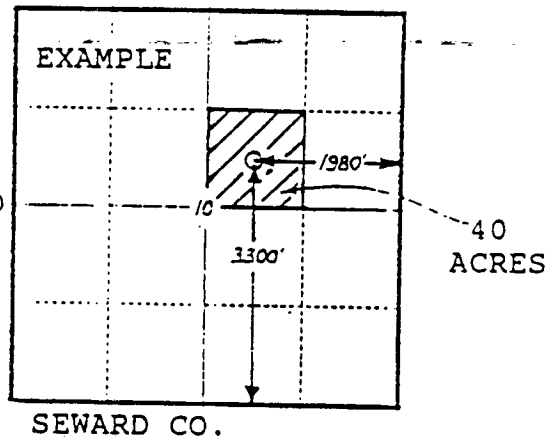
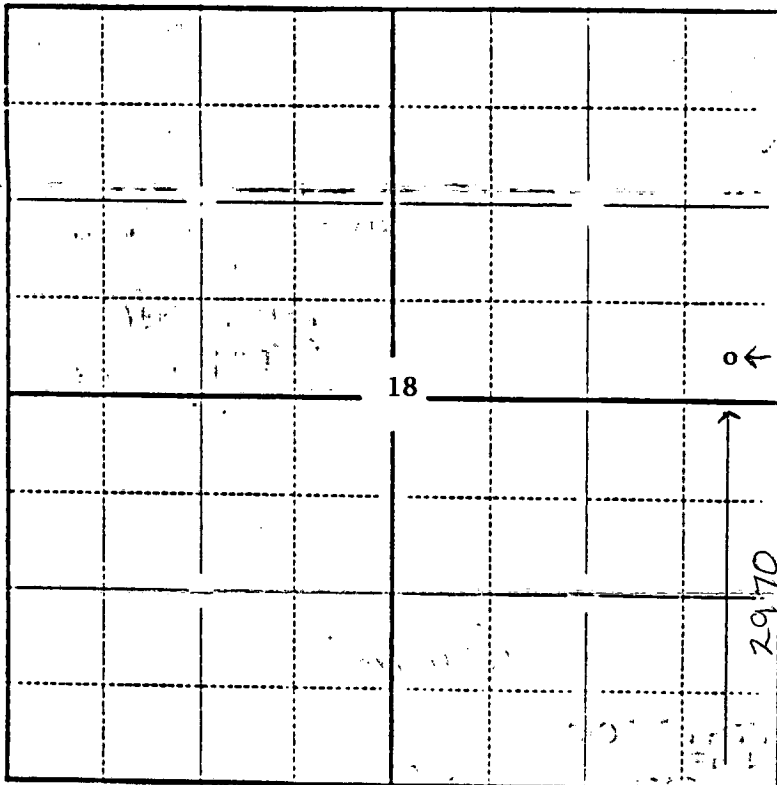
NUMBER OF ACRES ATTRIBUTABLE TO WELL \_\_\_\_\_  
 QTR/QTR/QTR OF ACREAGE \_\_\_\_\_

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.