

For KCC Use: Effective Date: 5-23-2001
District # 1
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

First
Corrected

Form C-1
September 1999
Form must be Typed
Form must be Signed
All blanks must be Filled

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date May 23 2001
month day year

OPERATOR: License# 5316
Name: FALCON EXPLORATION, INC.
Address: 155 North Market, Suite 1020
City/State/Zip: Wichita, KS 67202
Contact Person: Micheal S. Mitchell
Phone: (316) 262-1378

CONTRACTOR: License# 31548
Name: Discovery Drilling Co., Inc.

Spot 50' N & 77' E of
E/2 W/2 NE Sec. 11 Twp. 16S S. R. 27W East West
4010 feet from S N (circle one) Line of Section
1573 feet from E W (circle one) Line of Section
Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Lane
Lease Name: Esther Well #: 1-11
Field Name: Prairie Ridge NW

Is this a Prorated / Spaced Field? Yes No

Target Information(s): LKC
Nearest Lease or unit boundary: 1650' 1270'
Ground Surface Elevation: 2600 Est. feet MSL

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: 1300'

Surface Pipe by Alternate: 1 X 2

Length of Surface Pipe Planned to be set: 200'

Length of Conductor Pipe required: None

Projected Total Depth: 4600'

Producing Formation Target: Mississippian

Water Source for Drilling Operations:
Well Farm Pond Other

DWR Permit #: _____

(Note: Apply for Permit with DWR)

Will Cores be taken? Yes No

If Yes, proposed zone: _____

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

If OWWO: old well information as follows:
Operator: _____
Well Name: _____
Original Completion Date: _____ Original Total Depth: _____

Directional, Deviated or Horizontal wellbore? Yes No

If Yes, true vertical depth: _____

Bottom Hole Location: _____

KCC DKT #: _____

Correction

Was 3960 FSL & 1650FEL
Is 4010 FSL & 1573FEL

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: June 11, 2001 Signature of Operator or Agent: Thomas J. [Signature] Title: Agent

For KCC Use ONLY
API # 15 - 101-21789-0000
Conductor pipe required NONE feet
Minimum surface pipe required 200 feet per Alt. 1 (2)
Approved by: JKS-18-2001 / RJP 2-5-2002
This authorization expires: 11-18-2001
(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 has completed;
 - Obtain written approval before disposing or injecting salt water.
- RECEIVED
KANSAS CORPORATION COMMISSION

11
16
27W

JUN 13 2001

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

CONSERVATION DIVISION

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 and 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: FALCON EXPLORATION, INC.
 Lease: Esther
 Well Number: 1-11
 Field: Prairie Ridge NW
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: _____

Location of Well: County: Lane
4010 feet from S / N (circle one) Line of Section
1573 feet from E / W (circle one) Line of Section
 Sec. 11 Twp. 16 S. R. 27W East West

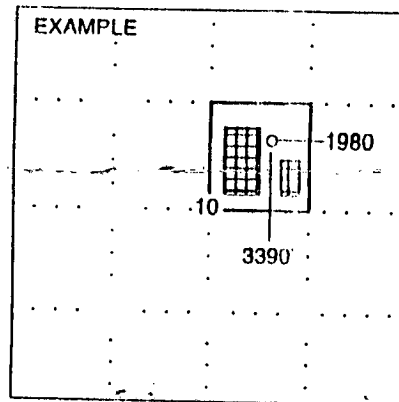
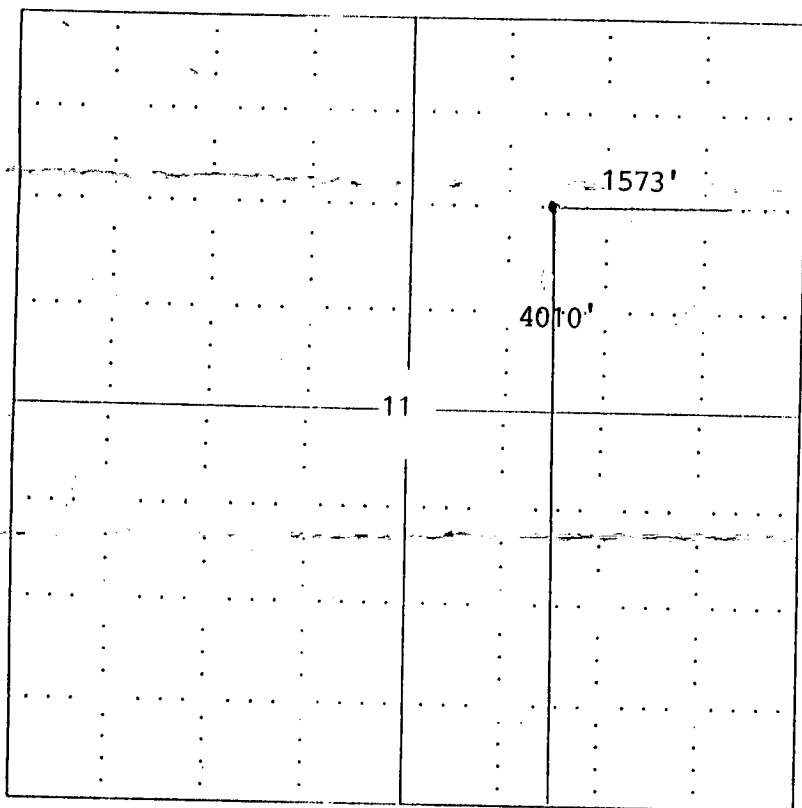
Is Section X Regular or _____ Irregular

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.)



NOTE: In all cases locate the spot of the proposed drilling location.
 Lane Co., KS

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.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG-8 for gas wells).

EXPLORATION DIVISION