EFFECTIVE DATE: 4-5-93

DISTRICT # 4

SGA? ... Yes X No

FORM C-1 4/91

FORM MUST BE TYPED

FORM MUST BE SIGNED

ALL BLANKS MUST BE FILLED

X Correction II

State of Kansas ["OWWO"]

NOTICE OF INTENTION TO DRILL

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

Expected Spud Date April 5, 1993 (month, day, year) — Spot appr SW ~~SW~~, SW, NW/4 Sec 16 Twp 16 S, Rg 29 __ East X West

~~4270~~ 3270 feet from South / North line of Section

4670 feet from East / West line of Section

IS SECTION X REGULAR ___ IRREGULAR?

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

OPERATOR: License # 7775

Name: Welton Petroleum, Inc.

Address: 901 King Avenue

City/State/Zip: Nyssa, Oregon 97913

Contact Person: Carl R. Calam

Phone: (316)-947-2372

County: Lane

Lease Name: Kerkhoff Well #: 1

Field Name: Jennison North

Is this a Prorated/Spaced Field? .... yes X no

Target Formation(s): Mississippi

Nearest lease or unit boundary: 610'

Ground Surface Elevation: 2687 feet MSL

Domestic well within 330 feet: .... yes X no

Municipal well within one mile: .... yes X no

Depth to bottom of fresh water: 125'

Depth to bottom of usable water: ~~525'~~ 1150'

Surface Pipe by Alternate: .... 1 X 2

Length of Surface Pipe ~~Planned to be~~ set: 328' Prev. Set

Length of Conductor pipe required: NA

Projected Total Depth: 4500'

Formation at Total Depth: Mississippi

Water Source for Drilling Operations:

... well X farm pond .... other

DWR Permit #:

Will Cores Be Taken?: .... yes X no

If yes, proposed zone:

CONTRACTOR: License #: 8241

Name: Emphasis Oil Operations

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

If OWWO: old well information as follows:

Operator: South Lake Exploration

Well Name: Kerkhoff #1

Comp. Date: 4-10-90 .... Old Total Depth 4500'

Directional, Deviated or Horizontal wellbore? .... yes X no

If yes, total depth location:

Bottom Hole Location

X Was 4270 f.s.l. & W/2 SW NW — Is 3270' f.s.l. SW SW NW

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: 3-30-93 Signature of Operator or Agent: [signature] Title: Agent

FOR KCC USE:

API # 15- 101-21546 0001

Conductor pipe required NONE feet

Minimum surface pipe required 328 feet per Alt. X (2)

Approved by: DR 3-31-93

This authorization expires: 9-31-93

(This authorization void if drilling not started within 6 months of effective date.)

Spud date: ____________ Agent: ____________

RECEIVED
STATE CORPORATION COMMISSION

MAR 3 1 1993

03-31-1993

CONSERVATION DIVISION
Wichita, Kansas

16 16 29 W

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.

IN ALL CASES PLOT THE INTENTED WELL ON THE PLAT BELOW

PLAT OF ACREAGE ATTRIBUTABLE TO A WELL IN A PRORATED OR SPACED FIELD

If the intented well is in a prorated or spaced field, please fully complete this side of the form. If the intented 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 _____

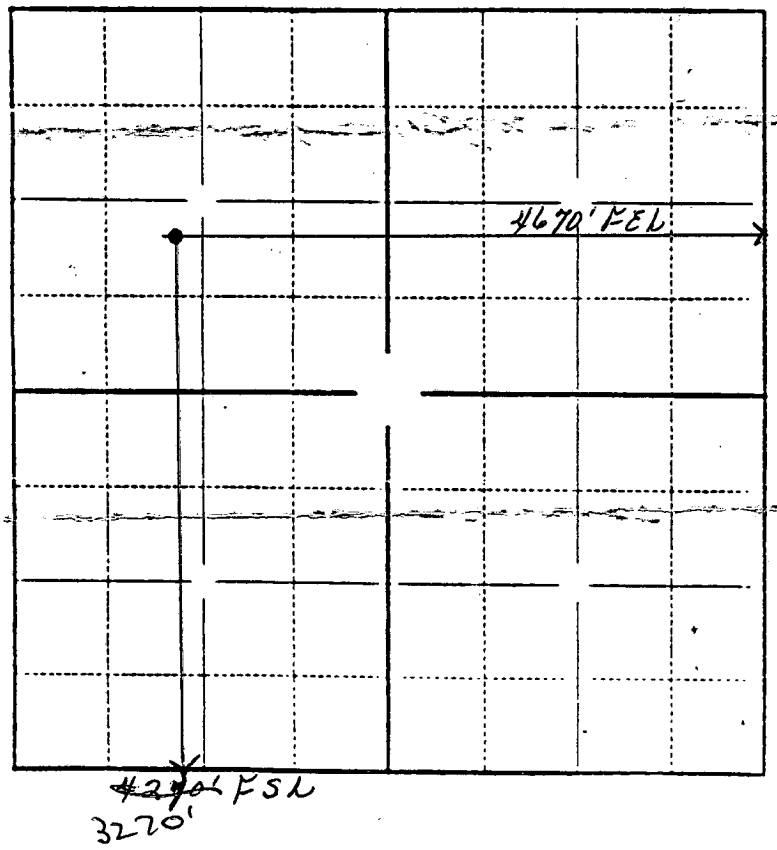
LOCATION OF WELL: COUNTY _____
_____ feet from south/north line of section
_____ feet from east/west line of section
SECTION_____ TWP_____ RG_____

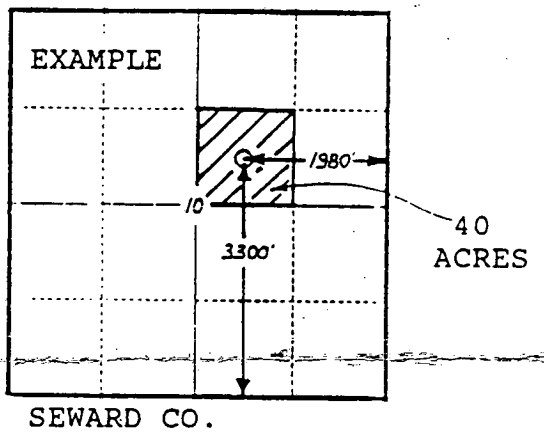
NUMBER OF ACRES ATTRIBUTABLE TO WELL_____
QTR/QTR/QTR OF ACREAGE _____-_____-_____

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