

FOR KCC USE:

FORM C-1 7/91

EFFECTIVE DATE: 9-13-92

FORM MUST BE TYPED

DISTRICT # 3

State of Kansas

FORM MUST BE SIGNED

SSAT... Yes No

NOTICE OF INTENTION TO DRILL

ALL BLANKS MUST BE FILLED

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

COR

Expected Spud Date September 11 1992
month day year

Spot NW SE SE Sec. 26 Twp. 29 S. Rg 17 X East West

OPERATOR: License # 4485
Name: Verde Oil Company
Address: 8700 Crownhill, Suite 800
City/State/Zip: San Antonio, TX 78209
Contact Person: Jeffrey L. Dale
Phone: (316) 754-3800

1155 feet from South / ~~XXXXX~~ line of Section
825 feet from East / ~~XXXXX~~ line of Section
IS SECTION X REGULAR _____ IRREGULAR?

CONTRACTOR: License # 6674
Name: Way Drilling Company

(NOTE: Locate well on the Section Plat on Reverse Side)
County: Neosho
Lease Name: E. J. Stitt Well #: F-17
Field Name: Thayer

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

Is this a Prorated/Spaced Field? ... yes no
Target Formation(s): Bartlesville
Nearest lease or unit boundary: 495'

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

Ground Surface Elevation: 899 feet MSL
Water well within one-quarter mile: ... yes no
Public water supply well within one mile: ... yes no

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

Depth to bottom of fresh water: 33'
Depth to bottom of usable water: 150'
Surface Pipe by Alternate: ... 1 2

Length of Surface Pipe Planned to be set: 20'
Length of Conductor pipe required: none
Projected Total Depth: 1000'
Formation at Total Depth: Bartlesville

Water Source for Drilling Operations:
... well ... farm pond other
DUR Permit #: _____
Will Cores Be Taken? yes ... no

Wash # 133-25487

AFFIDAVIT 154133 25487

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: 9/8/92 Signature of Operator or Agent: _____ Title: Geologist

FOR KCC USE:
API # 15- 133-25487-0000
Conductor pipe required None feet
Minimum surface pipe required 20' feet per Alt.
Approved by: C.B. 9-8-92

This authorization expires: 3-8-93
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

COR made
9/9/92
CB.

20

20

RECEIVED
STATE CORPORATION COMMISSION
SEP 8 1992
CONSERVATION DIVISION
Wichita, Kansas

- 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 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 Verde Oil Company
 LEASE E. J. Stitt
 WELL NUMBER F-17
 FIELD Thayer

LOCATION OF WELL: COUNTY Neosho
1155 feet from south/~~bottom~~ line of section
825 feet from east/~~west~~ line of section
 SECTION 26 TWP 29 RG 17E

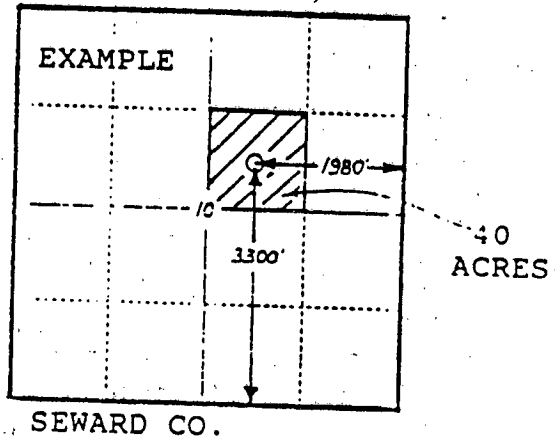
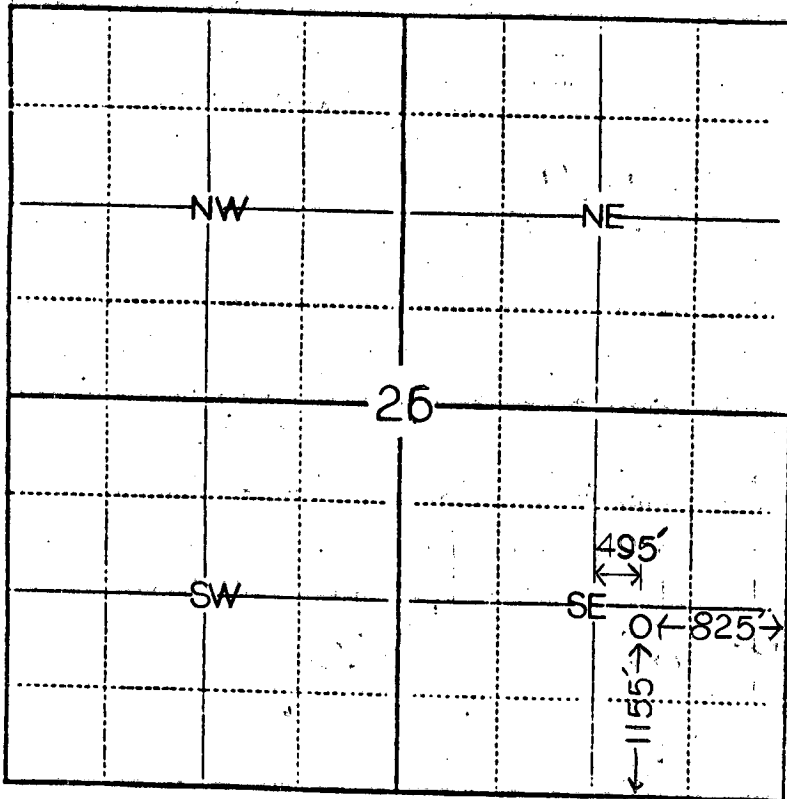
NUMBER OF ACRES ATTRIBUTABLE TO WELL 2.5
 QTR/QTR/QTR OF ACREAGE NW - SE - SE

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.)



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.