

FOR KCC USE:

FORM C-1 7/91

FORM MUST BE TYPED

FORM MUST BE SIGNED

ALL BLANKS MUST BE FILLED

EFFECTIVE DATE: 5-12-98

State of Kansas

DISTRICT # 4

NOTICE OF INTENTION TO DRILL

SEAT... Yes No

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

Expected Spud Date May 11 1998
month day year

Spot E/2 SE NE Sec 1 Twp 11 S. Rg 34 East West

OPERATOR: License # 5030
Name: Vess Oil Corporation
Address: 8100 E. 22nd Street N., Bldg. 300
City/State/Zip: Wichita, KS 67226
Contact Person: W.R. Horigan
Phone: 316-682-1537

3300 feet from South North line of Section
330 feet from East West line of Section
IS SECTION REGULAR IRREGULAR?

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

CONTRACTOR: License #: 6039
Name: L.D. Drilling, Inc.

County: Logan
Lease Name: Anderson Well #: 1-1
Field Name: Monument North
Is this a Prorated/Spaced Field? ... yes no
Target Formation(s): LKC and Johnson
Nearest lease or unit boundary: 330'
Ground Surface Elevation: 3174 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: 250 200
Depth to bottom of usable water: 1720 1680
Surface Pipe by Alternate: ... 1 2
Length of Surface Pipe Planned to be set: 320
Length of Conductor pipe required: NA
Projected Total Depth: 4800
Formation at Total Depth: MISS.
Water Source for Drilling Operations:
... well ... farm pond other

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

If OWMO, old well information as follows:

Operator: _____
Well Name: _____
Comp. Date: _____ Old Total Depth _____

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

If yes, true vertical depth: _____

Bottom Hole Location: _____

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: 4/29/98 Signature of Operator or Agent: W.R. Horigan Title: Operations Manager

FOR KCC USE:
API # 15- 109-20670 0000
Conductor pipe required NONE feet
Minimum surface pipe required 250 feet per Alt.
Approved by: JK 5-7-98
This authorization expires: 11-7-98
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

RECEIVED
KANSAS CORPORATION COMMISSION

MAY 07 1998

CONSERVATION DIVISION
WICHITA, KS

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 67202-1206.

11 3410

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 _____

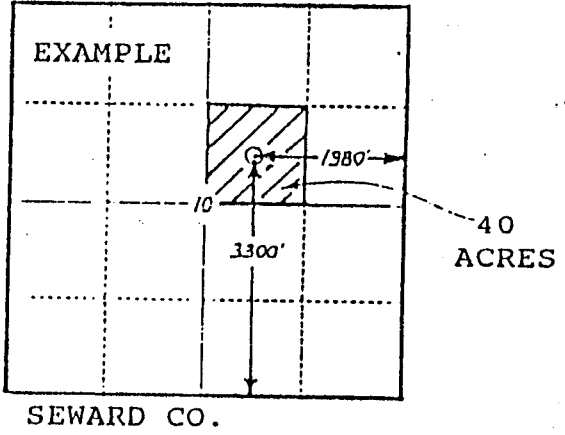
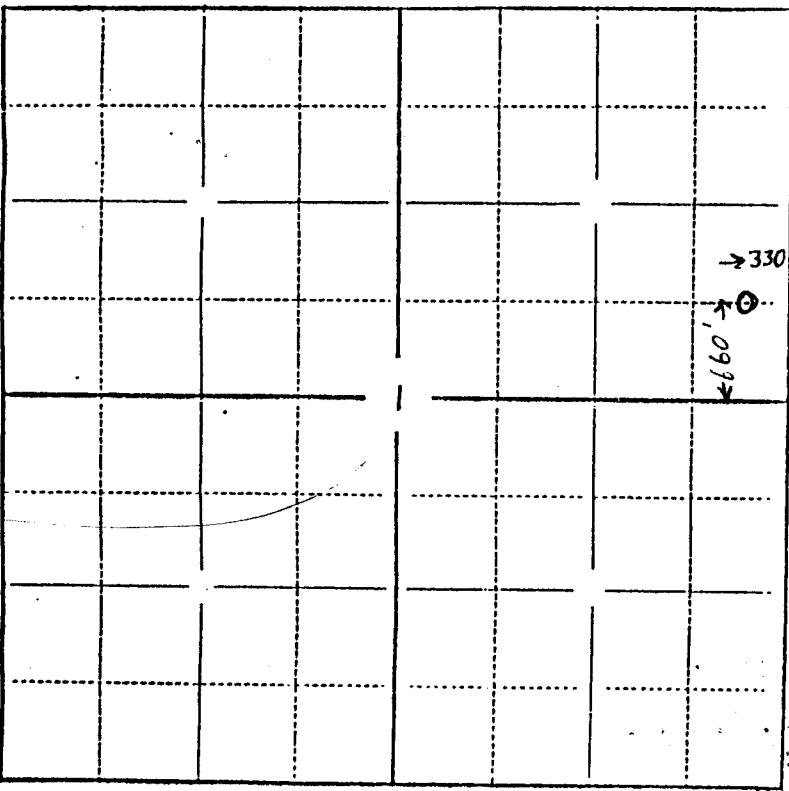
NUMBER OF ACRES ATTRIBUTABLE TO WELL _____
QTR/QTR/QTR OF ACREAGE _____ - _____ - _____

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.