

EFFECTIVE DATE: 5-27-90

FORM MUST BE TYPED
FORM C-1 4/90

State of Kansas
NOTICE OF INTENTION TO DRILL

FORM MUST BE SIGNED
ALL BLANKS MUST BE FILLED

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

Expected Spud Date 5/26/90..... NE SW SE Sec 18 Twp 16 S, Rg 19 X East
month day year

..... 990' feet from South line of Section
..... 1650' feet from East line of Section

OPERATOR: License # 5088
Name: John Jay Darrah, Jr. & Arkan Petroleum
Address: 412 E. Douglas Suite 1
City/State/Zip: Wichita, Ks. 67202
Contact Person: John J. Darrah, Jr.
Phone: 316-262-2243

(Note: Locate well on Section Plat on Reverse Side)
County: Rush
Lease Name: Close Well #: 1
Field Name: UNNAMED

CONTRACTOR: License #: 4958
Name: Mallard JV, Inc.

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

Is this a Prorated Field? yes no
Target Formation(s): L/KC
Nearest lease or unit boundary 990
Ground Surface Elevation: 2050 feet MSL
Domestic well within 330 feet: yes no
Municipal well within one mile: yes no
Depth to bottom of fresh water: 400'
Depth to bottom of usable water: 600'
Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 200'
Length of Conductor pipe required: NA
Projected Total Depth: 3700'
Formation at Total Depth: L/KC
Water Source for Drilling Operations:
... well farm pond other
DWR Permit #:
Will Cores Be Taken?: yes no
If yes, proposed zone:

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

Directional, Deviated or Horizontal wellbore? yes no
If yes, total depth 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. The appropriate district office shall be notified before setting surface pipe;
 2. The minimum amount of surface pipe as specified above 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;
 3. If the well is dry, a plugging proposal shall be submitted to the district office. An agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
 4. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
 5. 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: 5/21/90 Signature of Operator or Agent: [Signature] Title: operator

FOR KCC USE:
API # 15- 165-21523-0000
Conductor pipe required NONE feet
Minimum surface pipe required 200 feet per Alt.
Approved by: [Signature] 5-22-90
EFFECTIVE DATE: 5-27-90
This authorization expires: 11-22-90
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

RECEIVED
KANSAS CORPORATION COMMISSION
MAY 21 1990

- 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.

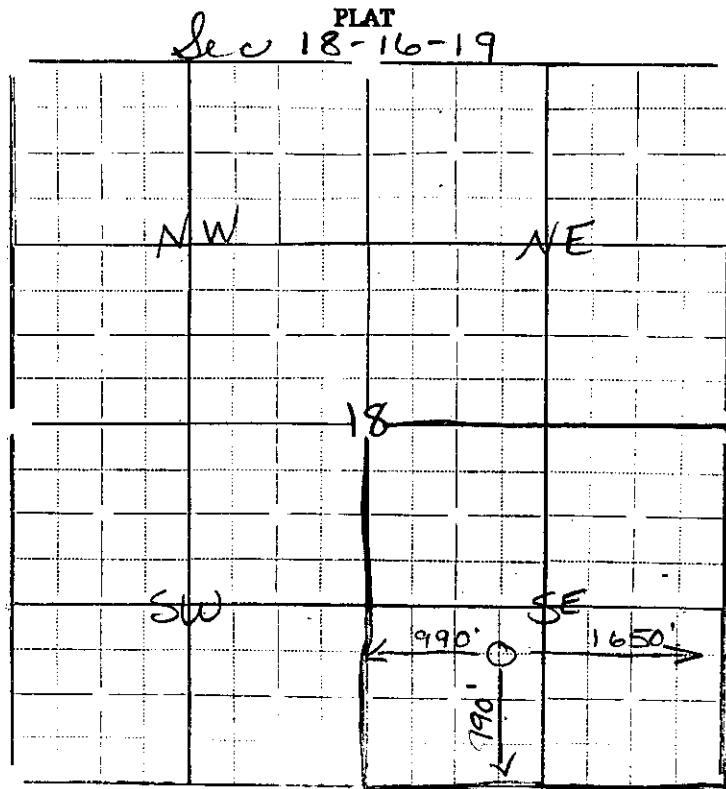
CONSERVATION DIVISION
Wichita, Kansas

PLAT OF ACREAGE ATTRIBUTABLE TO A WELL

State Corporation Commission, Conservation Division
200 Colorado Derby Bldg. Wichita, Kansas 67202

OPERATOR John J. Darrah & Arkan Petroleum LOCATION OF WELL:
 LEASE Close 990 feet north of SE corner
 WELL NUMBER #1 1650 feet west of SE corner
 FIELD W/C Rush Sec. 18 T 16 R 19 E/W
 COUNTY Rush
 NO. OF ACRES ATTRIBUTABLE TO WELL 160 IS SECTION X REGULAR IRREGULAR?
 IF IRREGULAR, LOCATE WELL FROM NEAREST
 DESCRIPTION OF ACREAGE SE/4 CORNER BOUNDARY.

NOTE: If plat depicted is insufficient for your circumstances, you may attach your own scaled or surveyed plat.



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 sector with 8 surrounding partial sections, 4 sections, 16 sections, etc.;
- 2) the well's location relative to the location of other wells producing from the same common source of supply in adjoining drilling units, pursuant to K.A.R. 82-3-108, 82-3-207, 82-3-312, or special orders of the Commission; Wildcat
- 3) the distance of the proposed drilling location from the section's east and south lines; and
- 4) the distance to the nearest lease or unit boundary line.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Signature of Operator or Agent *John J. Darrah*
 Date 5/21/90 Title operator