

FOR KCC USE:

FORM C-1 7/91

FORM MUST BE TYPED

FORM MUST BE SIGNED

ALL BLANKS MUST BE FILLED

EFFECTIVE DATE: 4-28-96

State of Kansas

DISTRICT # 1

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 5 month 1 day 1996 year

Spot Approx. C. SE. Sec. 18. Twp 18. S. Rg 17. East West

OPERATOR: License # 6875 Name: Marmik Oil Company Address: 200 N. Jefferson, Suite 500 City/State/Zip: El Dorado, AR 71730 Contact Person: Curtis G. Morrill Phone: 501-862-8546

1430 feet from (South) North line of Section 1320 feet from (East) West line of Section 18 SECTION X REGULAR IRREGULAR

CONTRACTOR: License #: 5929 Name: Duke Drilling

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

Well Drilled For: Well Class: Type Equipment:

X Oil Enh Rec Infield X Mud Rotary Gas Storage Pool Ext Air Rotary OWD Disposal X Wildcat Cable Seismic # of Holes Other

Lease Name: Besperat Well #: 1 Field Name:

If OWD: old well information as follows:

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

Is this a Prorated/Spaced Field? yes X no Target Formation(s): Arbuckle

Directional, Deviated or Horizontal wellbore? yes X no

If yes, true vertical depth:

Bottom Hole Location:

Nearest lease or unit boundary: 1320' Ground Surface Elevation: 2008 feet NSL

Water well within one-quarter mile: X yes Public water supply well within one mile: yes X

Depth to bottom of fresh water: 180' Depth to bottom of usable water: 260'

Surface Pipe by Alternate: X 1 2 Length of Surface Pipe Planned to be set: 280'

Length of Conductor pipe required: none Projected Total Depth: 4000'

Formation at Total Depth: Arbuckle Water Source for Drilling Operations:

well farm pond other

DWR Permit #: Will Cores Be Taken? yes no

If yes, proposed zone:

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 IS 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: 4/18/96 Signature of Operator or Agent: Curtis G. Morrill Title: Geologist

FOR KCC USE: API # 15- 165-216990000 Conductor pipe required NONE feet Minimum surface pipe required 280' feet per Alt. (1) X Approved by: JK 4-23-96 This authorization expires: 10-23-96 (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 prorotation 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.

RECEIVED KANSAS DISTRICT OFFICE APR 22 1996 4-22-96

18 18 17W

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 Marmik Oil Company
 LEASE Besperat
 WELL NUMBER 1
 FIELD _____

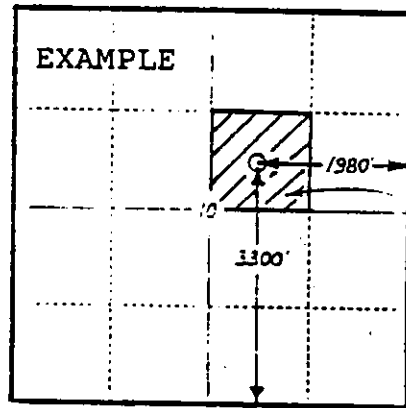
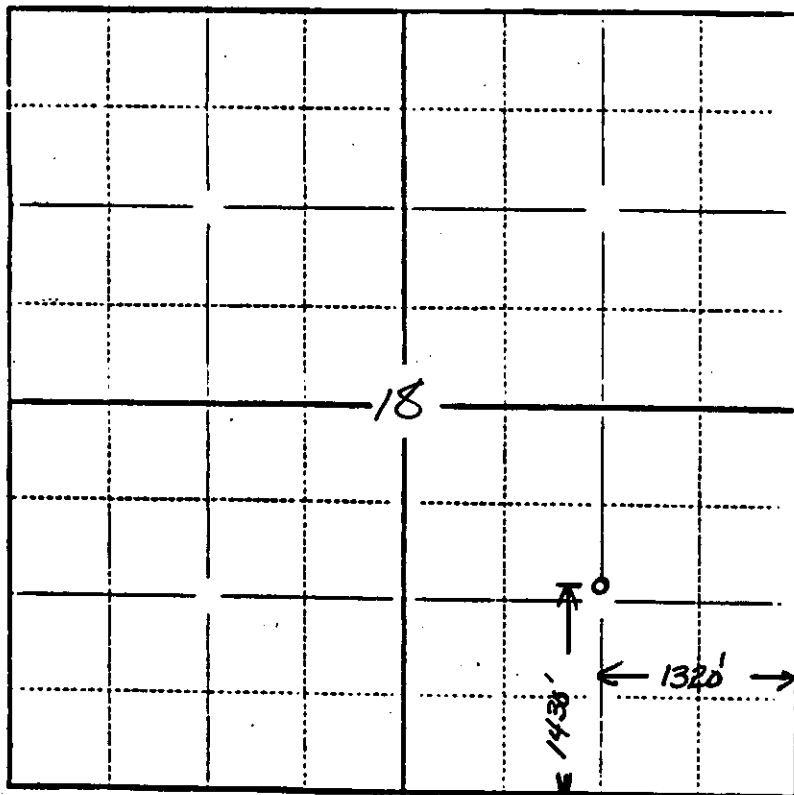
LOCATION OF WELL: COUNTY Rush
1430 feet from (south/north) line of section
1320 feet from (east/west) line of section
 SECTION 18 TWP 18 RG 17

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

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.)



40
ACRES

SEWARD CO.

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.