

OWWO

FOR KCC USE:

FORM C-1 7/91

FORM MUST BE TYPED

FORM MUST BE SIGNED

ALL BLANKS MUST BE FILLED

EFFECTIVE DATE: 11-19-2000

State of Kansas

NOTICE OF INTENTION TO DRILL

DISTRICT # 1

SGA7... Yes  No

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

Expected Spud Date ... November 20, 2000

Spot SE SW SE Sec 26 Twp 16 S, Rg 29 East West

OPERATOR: License # 5285
Name: The Dane G. Hansen Trust
Address: P.O. Box 187
City/State/Zip: Logan, Kansas 67646
Contact Person: Dane G. Bales
Phone: 785-689-4816

330 feet from South / North line of Section
1630 feet from East / West line of Section
IS SECTION X REGULAR IRREGULAR?

CONTRACTOR: License #: 31548
Name: Discovery Drilling

(NOTE: Locate well on the Section Plat on Reverse Side)
County: LAPE
Lease Name: James Well #: 1

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

Field Name: Terwilliger No. Ext
Is this a Prorated/Spaced Field? yes X no

If OWMO: old well information as follows:
Operator: National Petroleum Reserves, Inc.
Well Name: James #1
Comp. Date: 8/7/87 Old Total Depth 4610

Target Formation(s): Mississippian
Nearest lease or unit boundary: 330

Ground Surface Elevation: 2796 feet MSL
Water well within one-quarter mile: X yes X no

Public water supply well within one mile: yes no
Depth to bottom of fresh water: 100-180
Depth to bottom of usable water: 1150-1400

Surface Pipe by Alternate: 1 X 2
Length of Surface Pipe Planned to be set: 257' Set

Length of Conductor pipe required: (250' 65' ON)
Projected Total Depth: 4630

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

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

... well ... farm pond X other
Will Cores Be Taken? yes X 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 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: 11/7/00 Signature of Operator or Agent: Dane G. Bales Title: Manager/Trustee

FOR KCC USE:
API # 15- 101-21397-0001
Conductor pipe required NONE feet
Minimum surface pipe required 350 feet per Alt. X(2)
Approved by: SK 11-14-2000
This authorization expires: 5-14-2001
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: Agent:

RECEIVED
STATE CORPORATION COMMISSION
NOV 13 2000
CONSERVATION DIVISION
Wichita, Kansas

26
16
29W

- REMEMBER TO:
- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACC-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: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202.

**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.

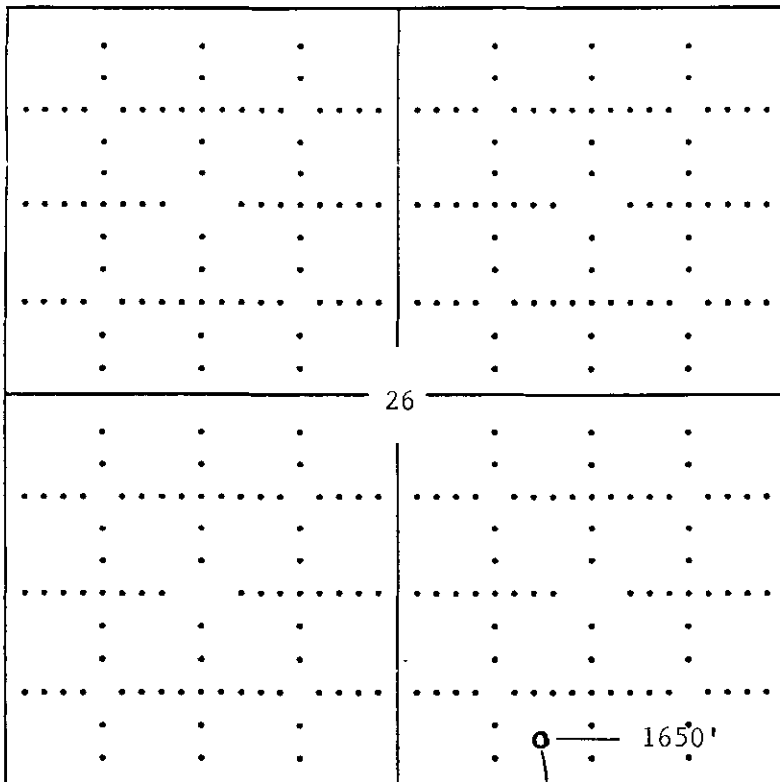
API NO. 15- \_\_\_\_\_  
 OPERATOR \_\_\_\_\_ LOCATION OF WELL: COUNTY \_\_\_\_\_  
 LEASE \_\_\_\_\_ feet from south/north line of section  
 WELL NUMBER \_\_\_\_\_ feet from east/west line of section  
 FIELD \_\_\_\_\_ SECTION \_\_\_\_\_ TWP \_\_\_\_\_ RG \_\_\_\_\_

NUMBER OF ACRES ATTRIBUTABLE TO WELL \_\_\_\_\_ IS SECTION \_\_\_\_\_ REGULAR or \_\_\_\_\_ IRREGULAR  
 QTR/QTR/QTR OF ACREAGE \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ **IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.**

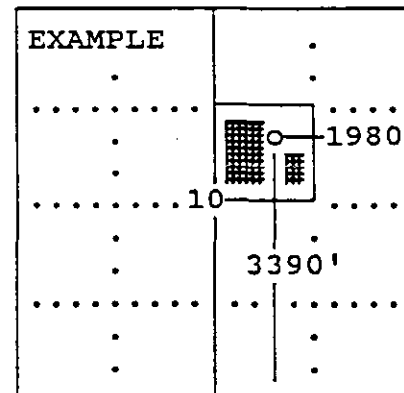
Section corner used: \_\_\_\_\_ NE \_\_\_\_\_ NW \_\_\_\_\_ SE \_\_\_\_\_ SW

**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.)



Twp. 16s, Rge. 29W 330'



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