

EFFECTIVE DATE: 11-22-94

FORM MUST BE TYPED

DISTRICT # 4

State of Kansas
NOTICE OF INTENTION TO DRILL

FORM MUST BE SIGNED

ALL BLANKS MUST BE FILLED

SGA? Yes No

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

Expected Spud Date December 5 1994
month day year

Spot NE SW SW Sec 30 Twp 20 S, Rg 28 East
West

OPERATOR: License # 31283
Name: Rheem Resources, Inc.
Address: Suite 505 100 South Main
City/State/Zip: Wichita, KS 67202
Contact Person: Clay Hedrick, Jr.
Phone: 316-262-5099

990 feet from South / North line of Section
990 feet from East / West line of Section

IS SECTION REGULAR IRREGULAR?
(NOTE: Locate well on the Section Plat on Reverse Side)

CONTRACTOR: License #: 5422
Name: Abercrombie Drilling, Inc.

County: Lane
Lease Name: Smid Well #: 1
Field Name: _____

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
... Other _____

Is this a Prorated/Spaced Field? ... yes no
Target Formation(s): Lansing-Kansas City

Nearest lease or unit boundary: 990 feet
Ground Surface Elevation: APPROX. 2750 feet MSL

Water well within one-quarter mile: ... yes no
Public water supply well within one mile: ... yes no

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

Depth to bottom of fresh water: 180'
Depth to bottom of usable water: 1180'

Surface Pipe by Alternate: ... 1 2
Length of Surface Pipe Planned to be set: 250 - 300'

Length of Conductor pipe required: _____
Projected Total Depth: 4600 feet

Formation at Total Depth: Mississippi
Water Source for Drilling Operations:
... well ... farm pond ... other

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

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 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: 11/21/94 Signature of Operator or Agent: Clay Hedrick, Jr. Title: Operations Manager

FOR KCC USE:
API # 15- 101-21691-0000
Conductor pipe required NONE feet
Minimum surface pipe required 200 feet per Alt. (2)
Approved by: DPW 11-22-94
This authorization expires: 5-22-95
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

Rec'd
11-22-94
30
20
28 W

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: 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

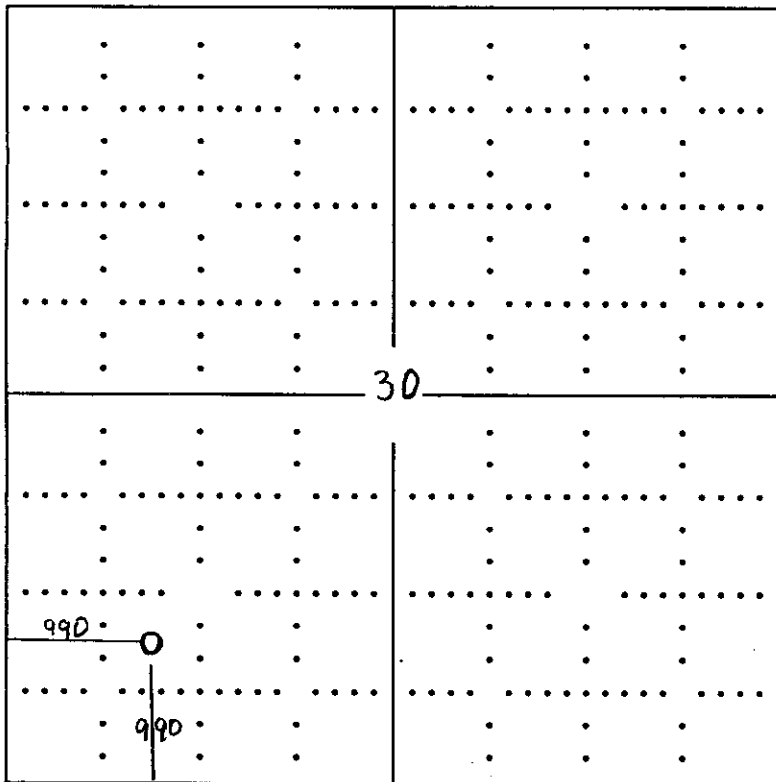
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 Rheem Resources, Inc. LOCATION OF WELL: COUNTY Lane
 LEASE Smid 990 feet from south/~~north~~ line of section
 WELL NUMBER 1 990 feet from ~~east~~/west line of section
 FIELD _____ SECTION 30 TWP 20S RG 28W

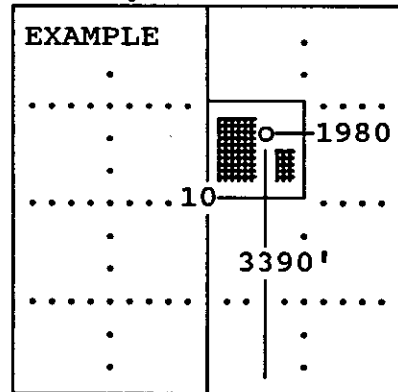
NUMBER OF ACRES ATTRIBUTABLE TO WELL 10 IS SECTION X REGULAR or _____ IRREGULAR
 QTR/QTR/QTR OF ACREAGE NE - SW - SW **IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.**

Section corner used: _____ NE _____ NW _____ SE X 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.)



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 NOV 22 1994 11:28
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 CONSERVATION DIVISION
 WICHITA, KS



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.