

FOR KCC USE:

FORM C-1 7/91

FORM MUST BE TYPED

FORM MUST BE SIGNED

ALL BLANKS MUST BE FILLED

EFFECTIVE DATE: 6-11-94

State of Kansas

DISTRICT # 1

NOTICE OF INTENTION TO DRILL

SGA? Yes  No

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

Expected Spud Date 6 - 17 - 94  
month day year

Spot NE SW SE Sec 28 Twp 16 S, Rg 26 East West

OPERATOR: License # 5123  
Name: Pickrell Drilling Company, Inc.  
Address: 110 N. Market, Suite 205  
City/State/Zip: Wichita, Kansas 67202  
Contact Person: Larry J. Richardson  
Phone: 316-262-8427

990 feet from South North line of Section  
1650 feet from East West line of Section  
IS SECTION X REGULAR IRREGULAR?

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

CONTRACTOR: License #: 5123  
Name: Company Tools

County: Ness  
Lease Name: Holmes "I" Well #: 1  
Field Name: N/A

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

Is this a Prorated/Spaced Field? yes X no  
Target Formation(s): Mississippian  
Nearest lease or unit boundary: 990'  
Ground Surface Elevation: 2650 est. feet MST

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

Water well within one-quarter mile: yes X no  
Public water supply well within one mile: yes X no  
Depth to bottom of fresh water: 800  
Depth to bottom of usable water: 1200+  
Surface Pipe by Alternate: 1 X 2  
Length of Surface Pipe Planned to be set: 320'+  
Length of Conductor pipe required: N/A

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

Projected Total Depth: 4600  
Formation at Total Depth: Mississippian  
Water Source for Drilling Operations:  
... well ... farm pond X other

DWR Permit #:  
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 all applicable laws, rules and regulations of the State of Kansas, et. seq.  
It is agreed that the following minimum requirements will be met:

RECEIVED  
STATE OF KANSAS  
CORPORATION COMMISSION  
JUN 06 1994  
CONSERVATION DIVISION

- 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; if necessary, a plug shall be set in the casing below the formation; if necessary, a plug shall be set in the casing below the 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: 6-03-94 Signature of Operator or Agent: [Signature] Title: Geologist

FOR KCC USE:  
API # 15- 135 -23820-0000  
Conductor pipe required NONE feet  
Minimum surface pipe required 320' feet per Alt. X 2  
Approved by: CB 6-6-94  
This authorization expires: 12-6-94  
(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 prorations 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.

28  
16-26  
Wichita, Kansas

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 Pickrell Drilling Co. Inc.  
LEASE Holmes "I"  
WELL NUMBER 1  
FIELD N/A

LOCATION OF WELL: COUNTY Ness  
990 feet from south/north line of section  
1650 feet from east/west line of section  
SECTION 28 TWP 16S RG 26W

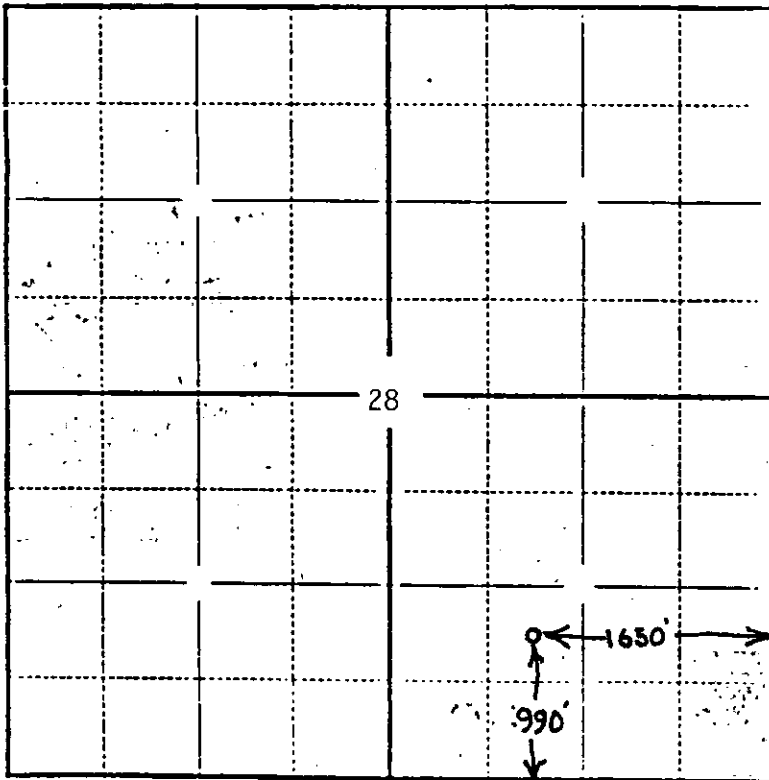
NUMBER OF ACRES ATTRIBUTABLE TO WELL 40  
QTR/QTR/QTR OF ACREAGE NE - SW - SE

IS SECTION X REGULAR or IRREGULAR  
IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.

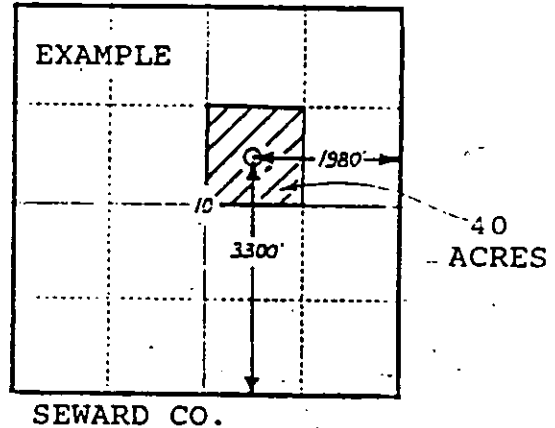
Section corner used: NE NW X SE SW

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.)



ONE SECTION



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.