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KANSAS CORPORATION COMMISSION

Form C-1

September 1999

For KCC Use:

Effective Date: 7-20-2002

District # 1

SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

JUL 09 2002

7-9-02

Form must be Typed

Form must be Signed
All blanks must be Filled

CONSERVATION DIVISION

Expected Spud Date July 14, 2002
month day year

Spot SE SE NW NW Sec. 36 Twp. 32 S. R. 15 East West

OPERATOR: License# 32302
Name: KEY GAS CORPORATION
Address: 410 Urban Drive
City/State/Zip: Hutchinson, Kansas 67501
Contact Person: Russ Kilgarriff
Phone: 620/662-6977

2310 feet from S / N (circle one) Line of Section
2310 feet from E / W (circle one) Line of Section
Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Barber
Lease Name: Carr Well #: 4A-36
Field Name: DEEGER NE

CONTRACTOR: License# 5929
Name: DUKE DRILLING CO., INC.

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Viola

Nearest Lease or unit boundary: 2310'

Ground Surface Elevation: _____ feet MSL

Water well within one-quarter mile: YES Yes No

Public water supply well within one mile: Yes No

Depth to bottom of fresh water: 150'

Depth to bottom of usable water: 180'

Surface Pipe by Alternate: X 1 2

Length of Surface Pipe Planned to be set: 200'

Length of Conductor Pipe required: N/A

Projected Total Depth: 5200'

Formation at Total Depth: Viola

Water Source for Drilling Operations:

Well _____ Farm Pond _____ Other X

DWR Permit #: _____

(Note: Apply for Permit with DWR)

Will Cores be taken? Yes No

If Yes, proposed zone: _____

Well Drilled For: Well Class: Type Equipment:

- | | | | |
|---|-----------------------------------|---|--|
| <input checked="" type="checkbox"/> Oil | <input type="checkbox"/> Enh Rec | <input checked="" type="checkbox"/> Infield | <input checked="" type="checkbox"/> Mud Rotary |
| <input checked="" type="checkbox"/> Gas | <input type="checkbox"/> Storage | <input type="checkbox"/> Pool Ext. | <input type="checkbox"/> Air Rotary |
| <input type="checkbox"/> OWWO | <input type="checkbox"/> Disposal | <input type="checkbox"/> Wildcat | <input type="checkbox"/> Cable |
| <input type="checkbox"/> Seismic; | # of Holes | <input type="checkbox"/> Other | |
| <input type="checkbox"/> Other | | | |

If OWWO: old well information as follows:

Operator: _____

Well Name: _____

Original Completion Date: _____ Original Total Depth: _____

Directional, Deviated or Horizontal wellbore? Yes No

If Yes, true vertical depth: _____

Bottom Hole Location: _____

KCC DKT #: _____

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: July 9, 2002 Signature of Operator or Agent: [Signature] Title: Agent

For KCC Use ONLY

API # 15 - 007-22712-00-00

Conductor pipe required NONE feet

Minimum surface pipe required 200 feet per Alt. 1

Approved by: RJP 7-15-2002

This authorization expires: 1-15-2003

(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 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.

36
32
15w

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 and 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: _____
 Lease: _____
 Well Number: _____
 Field: _____
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: SE SE NW

Location of Well: County: _____
 _____ 2310 _____ feet from S / N (circle one) Line of Section
 _____ 2310 _____ feet from E / W (circle one) Line of Section
 Sec. 36 Twp. 32 S. R. 15 East West

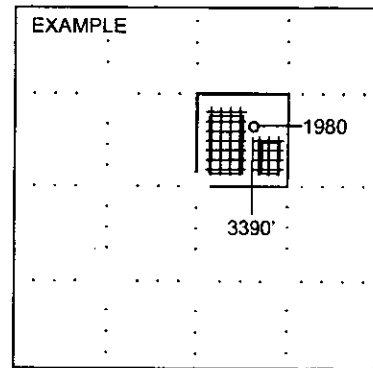
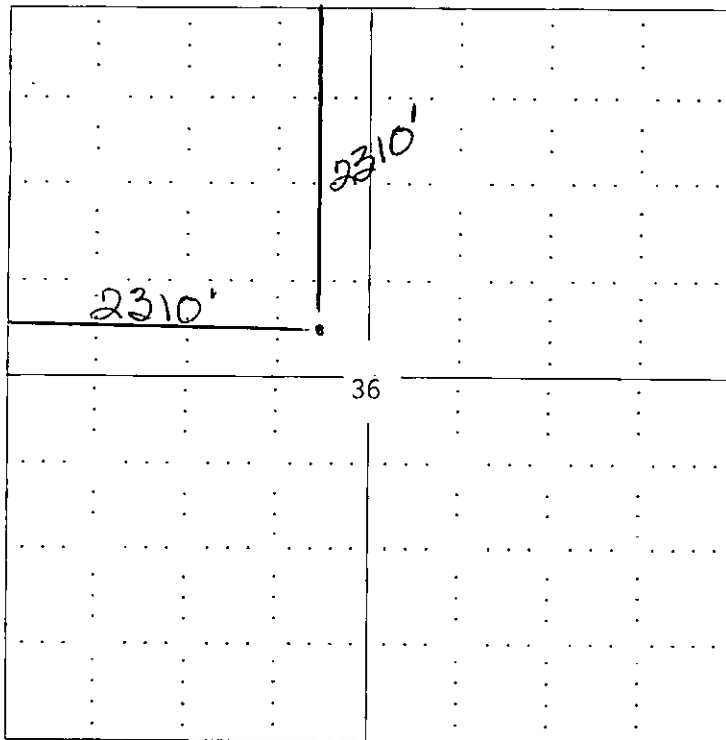
Is Section Regular or _____ Irregular

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.)*



NOTE: In all cases locate the spot of the proposed drilling location.

BARBER COUNTY

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.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG-8 for gas wells).