

FOR KCC USE:

FORM C-1 7/91

FORM MUST BE TYPED

FORM MUST BE SIGNED

ALL BLANKS MUST BE FILLED

EFFECTIVE DATE: 6-28-98

DISTRICT # 7

SGA? Yes No

State of Kansas
NOTICE OF INTENTION TO DRILL AS CORP CO...
Must be approved by the K.C.C. five (5) days prior to commencing well.

RECEIVED

Expected Spud Date June 28, 1998
month day year

Spot: 100 10W 10NW 10SW 10SE
Sec. Twp. S, Rg. 32S 8W East West

OPERATOR: License # 30357
Name: (MARLAND E. BERGMAN) MKI OIL CO. LLC
Address: 705 East Ninth
City/State/Zip: Harper, Kansas 67058
Contact Person: Marland E. Bergman
Phone: 316/896-2333

660 feet from ~~SOUTH~~ NORTH line of Section
660 feet from ~~EAST~~ WEST line of Section
IS SECTION REGULAR IRREGULAR?

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

(NOTE: Locate well on the Section Plat on Reverse Side)
County: Harper
Lease Name: NAFFZIGER Well #: 1
Field Name: WILDCAT CRYSTAL SPRINGS
Is this a Prorated/Spaced Field? ... yes no
Target Formation(s): RC, Miss, Simp
Nearest lease or unit boundary: 660'
Ground Surface Elevation: 1443' gr feet MSL
Water well within one-quarter mile: ... yes no
Public water supply well within one mile: ... yes no
Depth to bottom of fresh water: 120'
Depth to bottom of usable water: 290' 180'
Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 250'
Length of Conductor pipe required: N/A
Projected Total Depth: 5000'
Formation at Total Depth: SIMPSON
Water Source for Drilling Operations:
... well ... farm pond other

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
If OWWO: old well information as follows:
Operator: _____
Well Name: _____
Comp. Date: _____ Old Total Depth _____
Directional, Deviated or Horizontal wellbore? ... yes no
If yes, true vertical depth: _____
Bottom Hole Location: _____

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: June 17, 1998 Signature of Operator or Agent: [Signature] Title: _____ Agent

FOR KCC USE:
API # 15- 077-213550000
Conductor pipe required NONE feet
Minimum surface pipe required 200 feet per Alt.
Approved by: JK 6-23-98
This authorization expires: 12-23-98
(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.

13
37
8W

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.

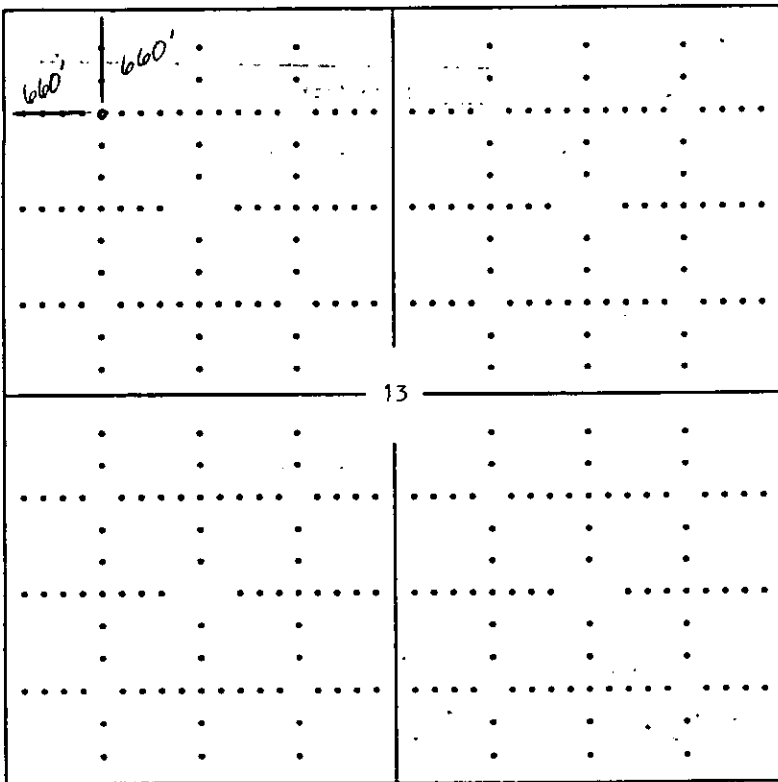
API NO. 15- _____
 OPERATOR _____ LOCATION OF WELL: COUNTY _____
 LEASE _____ feet from south/north line of section
 WELL NUMBER _____ feet from east/west line of section
 FIELD _____ SECTION _____ TWP _____ RG _____

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.

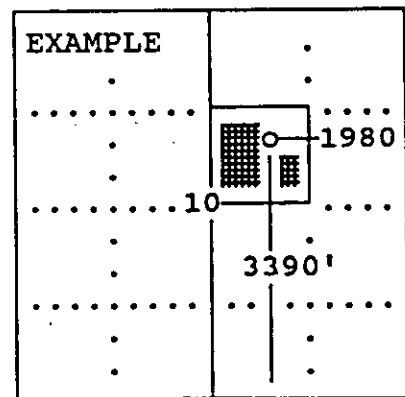
Section corner used: _____ NE _____ NW _____ SE _____ SW

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.)



HARPER COUNTY



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.