

FOR KCC USE:

FORM C-1 7/91

FORM MUST BE TYPED

FORM MUST BE SIGNED

ALL BLANKS MUST BE FILLED

EFFECTIVE DATE: 8-15-92

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 8 10 92
month day year

Spot SW SW Sec 10 Twp 32 S, Rg 19 X East West

OPERATOR: License # 3613
Name: Hallwood Petroleum, Inc.
Address: P.O. Box 378111
City/State/Zip: Denver, CO 80237
Contact Person: George Hutton
Phone: 316-792-2756
(303) 850-6530

660 feet from South North line of Section
 4620 feet from East West line of Section

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

CONTRACTOR: License # 5418
Name: Allen Drilling

County: Comanche
Lease Name: Bird Well #: 2
Field Name: Unknown

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

Is this a Prorated/Spaced Field? yes no

Target Formation(s): Arbuckle
Nearest lease or unit boundary: 660'
Ground Surface Elevation: 2045' feet MSL

If OWWO: old well information as follows:

Operator: _____
Well Name: _____
Comp. Date: _____ Old Total Depth _____

Water well within one-quarter mile: yes no
Public water supply well within one mile: yes no
Depth to bottom of fresh water: 75'

Depth to bottom of usable water: 180'
Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 200'

Directional, Deviated or Horizontal wellbore? yes no

If yes, true vertical depth: _____

Bottom Hole Location: _____

Length of Conductor pipe required: 200'
Projected Total Depth: 6300'
Formation at Total Depth: Arbuckle

Water Source for Drilling Operations:
 well farm pond other

DWR Permit #: _____
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: August 6, 1992 Signature of Operator or Agent: [Signature] Title: Dr. Eng. Fred

FOR KCC USE:
 API # 15- 033-20858-0000
 Conductor pipe required _____ feet
 Minimum surface pipe required 200' feet per Alt.
 Approved by: CB. 8-10-92
 This authorization expires: 2-10-92
 (This authorization void if drilling not started within 6 months of effective date.)
 Spud date: _____ Agent: _____

RECEIVED
 KANSAS CORPORATION COMMISSION
 AUG 07 1992
 8-7-92
 CONSERVATION DIVISION
 WICHITA, KS

REMEMBER TO:

- File Drill Pit Application (form GDP-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: Conservation Division, 200 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1286.

10 32 19

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 Hallwood Petroleum, Inc.
 LEASE Bird
 WELL NUMBER 2
 FIELD Unknown

LOCATION OF WELL: COUNTY Comanche
660 feet from south north line of section
4620 feet from east west line of section
 SECTION 10 TWP 32S RG 19W

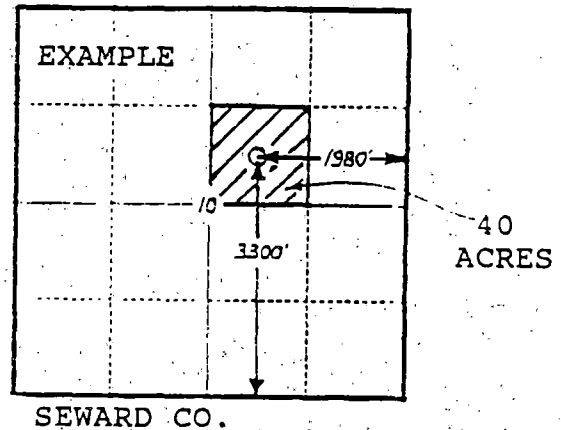
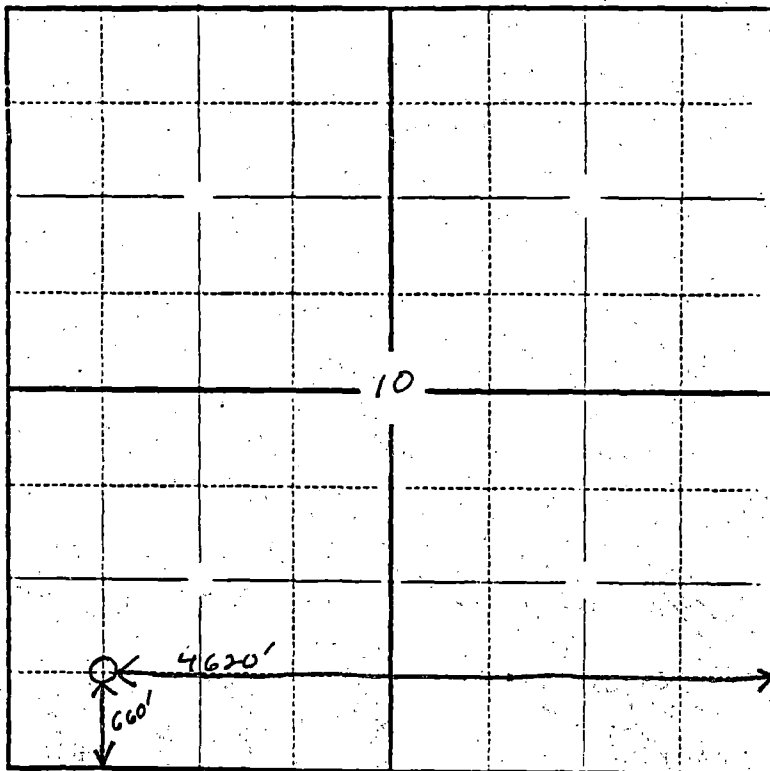
NUMBER OF ACRES ATTRIBUTABLE TO WELL 40
 QTR/QTR/QTR OF ACREAGE C - SW - SW

IS SECTION X 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.)



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.