

For KCC Use:
 Effective Date: 5-8-2000
 District # _____
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

Form C-1
 September 1999
 Form must be Typed
 Form must be Signed
 All blanks must be Filled

NOTICE OF INTENT TO DRILL

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

Expected Spud Date 5 5 2000
 month day year

OPERATOR: License# 31120
 Name: Pelican Hill Oil & Gas, Inc.
 Address: 1401 N. El Camino Real, Suite 203
 City/State/Zip: San Clemente, CA 92672
 Contact Person: Al Gross
 Phone: 949-498-2101

CONTRACTOR: License# 30684
 Name: Abercrombie RTD, Inc.

Well Drilled For:	Well Class:	Type Equipment:
<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input type="checkbox"/> Infield
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
<input type="checkbox"/> OWWO	<input type="checkbox"/> Disposal	<input checked="" type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic; # of Holes _____	<input type="checkbox"/> Other	<input type="checkbox"/> Cable
<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 #: _____

Spot APPROX.
SE SE SE SW Sec. 2 Twp. 32 S. R. 18
 East West
 / 150 feet from S / N (circle one) Line of Section
 / 2500 feet from E / W (circle one) Line of Section
 Is SECTION Regular Irregular?

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

County: Comanche
 Lease Name: Lytle Well #: 1 'A'
 Field Name: Wildcat

Is this a Prorated / Spaced Field? Yes No
 Target Information(s): Mississippi
 Nearest Lease or unit boundary: 2500-2490 (NORTH)
 Ground Surface Elevation: unknown 2098 est 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: 200'
 Depth to bottom of usable water: 260

****** Surface Pipe by Alternate: 1 2
 Length of Surface Pipe Planned to be set: 650'
 Length of Conductor Pipe required: 60' (NONE REQUIRED)
 Projected Total Depth: 6200'
 Producing Formation Target: Arbuckle

Water Source for Drilling Operations:
 Well _____ Farm Pond _____ Other _____
 DWR Permit #: _____
 (Note: Apply for Permit with DWR)
 Will Cores be taken? Yes No
 If Yes, proposed zone: _____

AFFIDAVIT * LEASE COVERS S/2 OF SEC 2-32-18W AND N/2 SEC 11-32-18W.

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: 5-1-00 Signature of Operator or Agent: [Signature] Title: _____

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 STATE CORPORATION COMMISSION
05-02-2000
 MAY 2 2000

For KCC Use ONLY
 API # 15 - 033-210870000
 Conductor pipe required NONE feet
 Minimum surface pipe required 280 feet per Alt. 1
 Approved by: JK 5-3-2000
 This authorization expires: 11-3-2000
 (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.

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: Pelican Hill Oil & Gas, Inc.

Lease: Lytle

Well Number: 1 'A'

Field: _____

Number of Acres attributable to well: _____

QTR / QTR / QTR of acreage: _____

Location of Well: County: Comanche

150 feet from S / N (circle one) Line of Section

2500 feet from E W (circle one) Line of Section

Sec. 2 Twp. 32 S. R. 18 East West

Is Section X Regular or _____ Irregular

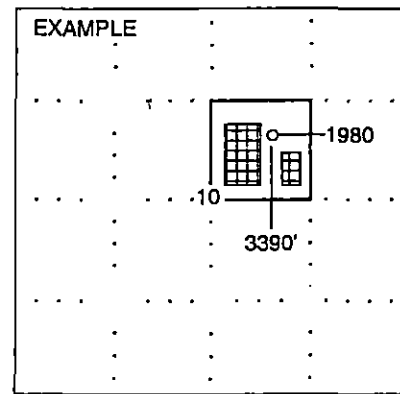
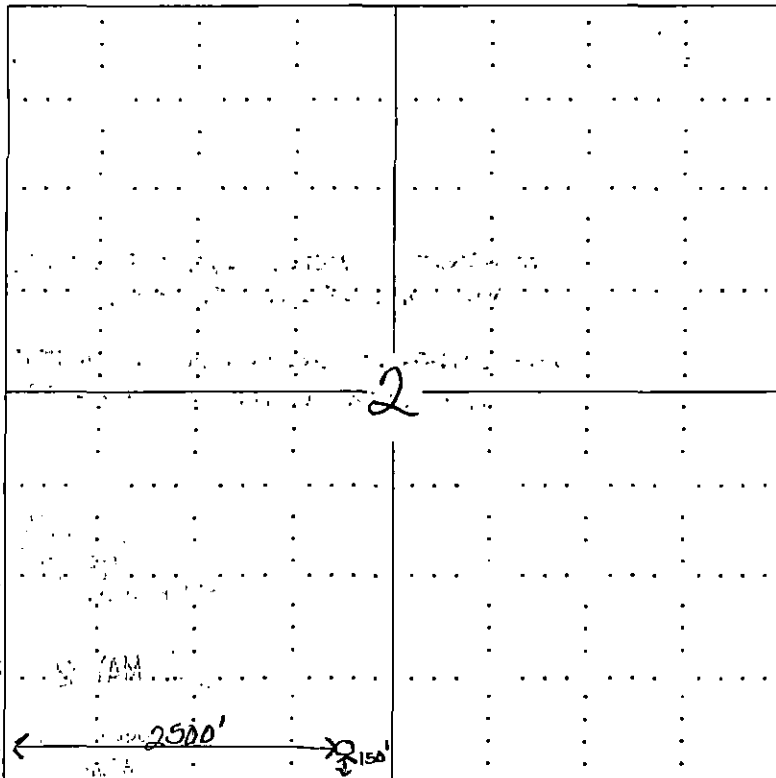
If Section is Irregular, locate well from nearest corner boundary.

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.)



SEWARD CO.

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

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).

DECLARATION OF POOLING

15-033-21087-00-00

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, under date of April 17, 1996, Carmen and Richard P. Ivy, Lessors, executed and delivered to Allen & Kirmse, LTD, Lessee, that certain Oil & Gas Lease, which is recorded in Book 84 at Page 179, covering the South Half (S/2) of Section 2, Township 32 South, Range 18 West, Comanche County, Kansas; and

WHEREAS, under date of April 17, 1996, Charles and Loneta R. Wilson, Lessors, executed and delivered to Allen & Kirmse, LTD, Lessee, that certain Oil & Gas Lease, which is recorded in Book 84 at Page 175, covering the South Half (S/2) of Section 2, Township 32 South, Range 18 West, Comanche County, Kansas; and

WHEREAS, under date of April 17, 1996, Gloria and J.R. Cline, Lessors, executed and delivered to Allen & Kirmse, LTD, Lessee, that certain Oil & Gas Lease, which is recorded in Book 84 at Page 171, covering the South Half (S/2) of Section 2, Township 32 South, Range 18 West, Comanche County, Kansas; and

WHEREAS, under date of January 14, 1997, Pauline Miller, Trustee of the Pauline Miller Loving Trust, dated April 6, 1990, Lessor, executed and delivered to J. Fred Hambricht, Lessee, that certain Oil & Gas Lease, which is recorded in Book 84 at Page 689, covering the East Half (E/2) of Section 11, Township 32 South, Range 18 West, Comanche County, Kansas; and

WHEREAS, under date of January 17, 1997, James L. and Hulda H. Scribner, Lessors, executed and delivered to J. Fred Hambricht, Lessee, that certain Oil & Gas Lease, which is recorded in Book 84 at Page 709, covering the East Half (E/2) of Section 11, Township 32 South, Range 18 West, Comanche County, Kansas; and

WHEREAS, under date of January 13, 1997, David R. and Teresa D. Hubbard, Lessors, executed and delivered to J. Fred Hambricht, Lessee, that certain Oil & Gas Lease, which is recorded in Book 84 at Page 699, covering the Northwest Quarter (NW/4) of Section 11, Township 32 South, Range 18 West, Comanche County, Kansas; and

WHEREAS, the primary terms of each of the above described Oil and Gas Leases have been extended, of record, and said Oil and Gas Leases are valid and subsisting; and

WHEREAS, each of said Oil and Gas Leases grants Lessee the right to pool and combine the acreage or any portion thereof covered by said Leases, with other land and leases, in the immediate vicinity thereof, into a unit of not more than 640 acres for gas, in which event the entire acreage so pooled shall be treated, for all purposes, as if it were included in each of said Leases; and

WHEREAS, Pelican Hill Oil & Gas, Inc., is now the owner of said Oil and Gas Leases,

NOW, THEREFORE, Pelican Hill Oil & Gas, Inc., pursuant to the terms and provisions contained in said Oil and Gas Leases, pools, consolidates, and unifies said Oil and Gas Leases, to form a consolidated gas leasehold estate consisting of the South Half (S/2) of Section 2 and the North Half (N/2) of Section 11, both in Township 32 South, Range 18 West, Comanche County, Kansas.

EXECUTED this 27 day of April, 2000.

PELICAN HILL OIL & GAS, INC.

Allen J. Gross
Allen J. Gross, President

RECEIVED
STATE CORPORATION COMMISSION

MAY 2 2000

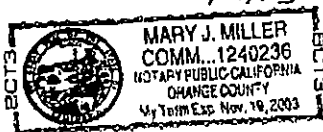
ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
) ss
COUNTY OF ORANGE)

CONSERVATION DIVISION
Wichita, Kansas

This instrument was acknowledged before me on the 27 day of April, 2000, by Allen J. Gross, President of Pelican Hill Oil & Gas, Inc.

My Commission Expires: 11/19/03



Mary J. Miller
Notary Public

STATE OF KANSAS,
COMANCHE COUNTY } ss

This instrument was filed for Record on the 28 day of April 2000 at 3:30 o'clock P.m. and duly recorded in Book 93 Page 114 Fees \$6.00
Angela
Register of Deeds