

FOR KCC USE:

FORM C-1 7/9

FORM MUST BE TYPED

FORM MUST BE SIGNED

ALL BLANKS MUST BE FILLED

EFFECTIVE DATE: 7-21-97

State of Kansas

DISTRICT # 1

NOTICE OF INTENTION TO DRILL

SEAT... Yes... No

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

Expected Spud Date July 28 1997 233' month day year

Spot: SE of SE NE Sec 6 Twp 32 S, Rg 17 East West

OPERATOR: License # 31691 Name: Coral Coast Petroleum, L.C. Address: 100 S. Main, Suite 505 City/State/Zip: Wichita, KS 67202 Contact Person: Daniel M. Reynolds Phone: (316) 269-1233

2145 feet from South (North) line of Section 495 feet from (East) / West line of Section IS SECTION X REGULAR IRREGULAR

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

County: Comanche

Lease Name: York Well #: 2

Field Name: York Law

Is this a Prorated/Spaced Field? yes X no

Target Formation(s): Viola

Nearest lease or unit boundary: 495'

Ground Surface Elevation: N/A 2098 feet MSL

Water well within one-quarter mile: X yes X no

Public water supply well within one mile: yes X no

Depth to bottom of fresh water: 150' 180'

Depth to bottom of usable water: 260'

Surface Pipe by Alternate: X 1 2

Length of Surface Pipe Planned to be set: 350'

Length of Conductor pipe required: 0

Projected Total Depth: 5700'

Formation at Total Depth: Viola

Water Source for Drilling Operations:

CONTRACTOR: License #: 5418 Name: Allen Drilling Company

Well Drilled For: Well Class: Type Equipment:

- X Oil Enh Rec Infield X Mud Rotary
X Gas Storage X 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 X no

If yes, true vertical depth:

Bottom Hole Location:

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 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 IS 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: 7-3-97 Signature of Operator or Agent: Daniel M. Reynolds Title: Managing Member

RECEIVED KANSAS CORPORATION COMMISSION

JUL 11 1997

7-11-97

CONSERVATION DIVISION WICHITA, KS

FOR KCC USE: API # 15- 033-209380000 Conductor pipe required NONE feet Minimum surface pipe required 280' feet per Alt. (1) X Approved by: JK 7-16-97 This authorization expires: 1-16-98 (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.

Mail to: Conservation Division, 208 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1286.

6 38 1700

IN ALL CASES 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 is properly located in relationship to other wells producing from the common source of supply. Show all the wells within 1 mile of the boundaries of the proposed acreage attributable for gas wells and within 1/2 mile of the boundaries of the proposed acreage attributable 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 _____

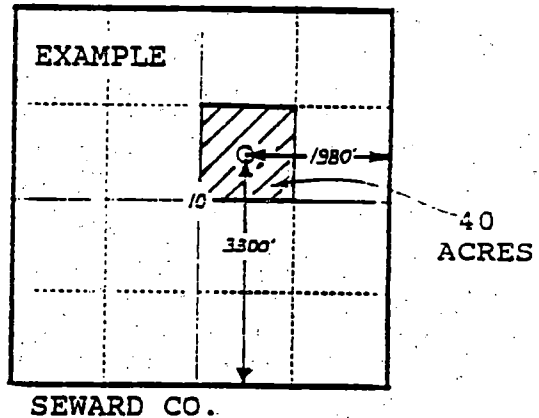
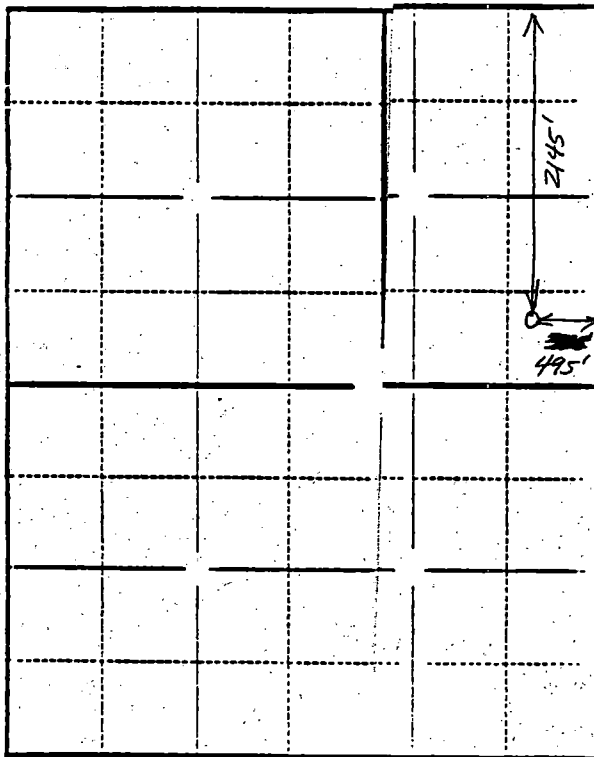
NUMBER OF ACRES ATTRIBUTABLE _____ IS SECTION _____ REGULAR or _____ IRREGULAR

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 acreage attributable for prorated or spaced wells.)
 (Show the nearest lease or unit boundary line.)



In plotting the proposed location of the well, you must show:

- 1) The manner in which the depicted plat by identifying section lines, i.e. 1 section, 1 section surrounding sections, 4 sections, etc.;
- 2) the distance of the drilling location from the section's south/north and east/west lines; and
- 3) the distance to the lease or unit boundary line.