

For KCC Use:

Effective Date: 9-23-2000

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

Form C-1

September 1999

Form must be typed
Form must be Signed
All blanks must be Filled

Expected Spud Date September 22 2000
Month day year

OPERATOR: License # 30931

Name: Daystar Petroleum, Inc.

Address: 1321 W. 93rd N.

City/State/Zip: Valley Center, KS 67147

Contact Person Charles Schmidt

Phone: 316-755-3523

CONTRACTOR: License # 5929

Name: Duke Drilling

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

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 110's E 50'E of East
SW - NE - NW Sec. 17 Twp. 34 S. R. 19 West

1100 feet from S (N circle one) Line of Section

1700 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: Hackney C Well # 1-17

Field Name Lemon Ranch SE

Is this a Prorated / Spaced Field? Yes No

Target Information(s) Swope, Mississippi, Viola, Pawnee/Ft. Scott

Nearest Lease or unit boundary: 1100

Ground Surface Elevation: 1798 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: 100

Depth to bottom of usable water: 180

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 625'

Length of Conductor Pipe required: _____

Projected Total Depth: 6250'

Producing Formation Target: Viola

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

RECEIVED
STATE CORPORATION COMMISSION

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:

SEP 15 2000

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 the 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 cement in;
6. If and 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: 9-12-00 Signature of Operator or Agent: Charles Schmidt Title: President

For KCC Use ONLY:

API: # 15- 033-21145-0000

Conductor pipe required NONE feet

Minimum surface pipe required 200 feet per Alt. (1) X

Approved by: JK 9-18-2000

This authorization expires: 3-18-2001
(This authorization void if drilling not started within 6 month 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.

17
34
RW

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202.

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: Daystar Petroleum, Inc.
 Lease: _____
 Well Number: _____
 Field: Lemon Ranch SE

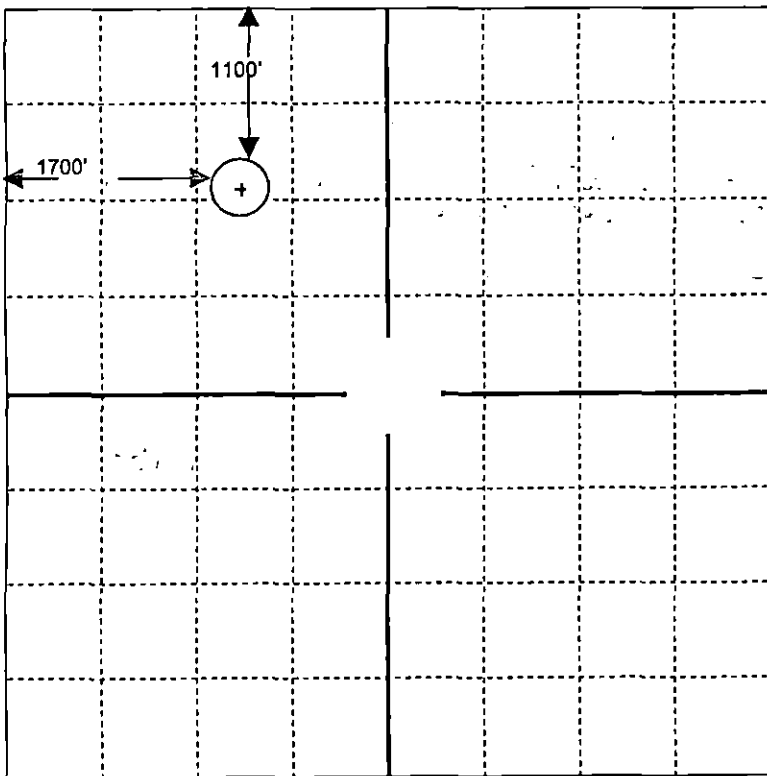
Location of Well: County Comanche
 1100 _____ Feet from S / N Line of section
 1700 _____ Feet from E / W Line of section
 Sec: 17 Twp: 34 S. R. 19 East West

Number of Acres Attributable to Well _____
 QTR/QTR/QTR OF ACREAGE _____

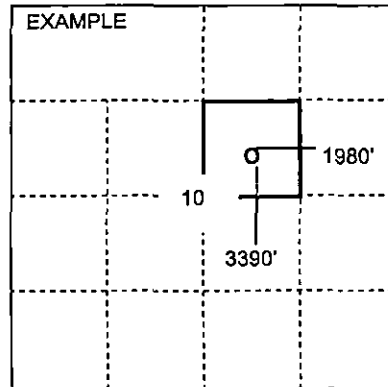
Is Section X REGULAR or _____ IRREGULAR
 If Section is Irregular, locate well from nearest corner boundary
 Section corner used: ___ NE ___ NW ___ SE ___ SW

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 located 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 with 8 surrounding section, 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.
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).