

FORM MUST BE TYPED  
FORM C-1 4/90

EFFECTIVE DATE: 8-11-90

State of Kansas

FORM MUST BE SIGNED  
ALL BLANKS MUST BE FILLED

NOTICE OF INTENTION TO DRILL

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

Expected Spud Date August 16, 1990  
month day year

NE SW SE Sec 35 Twp 26 S, Rg 12 East  West

OPERATOR: License # 9232  
Name: TIMBER LINE OIL & GAS CORPORATION  
Address: 4447 South Canyon Road - Suite 1  
City/State/Zip: Rapid City, South Dakota 57702  
Contact Person: Brant C. Grote  
Phone: 605/341-3400

990 feet from South line of Section  
1650 feet from East line of Section  
(Note: Locate well on Section Plat on Reverse Side)

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

County: Pratt  
Lease Name: Trogdon Well #: 3  
Field Name: Stead South

Well Drilled For: Well Class: Type Equipment:  
 Oil ... Inj  Infield  Mud Rotary  
... Gas ... Storage ... Pool Ext. ... Air Rotary  
... OWD ... Disposal ... Wildcat ... Cable  
... Seismic; ... # of Holes

Is this a Prorated Field? ... yes  no  
Target Formation(s): Mississippi  
Nearest lease or unit boundary: 990'  
Ground Surface Elevation: 1870' feet MSI

If OWD: old well information as follows:  
Operator: \_\_\_\_\_  
Well Name: \_\_\_\_\_  
Comp. Date: \_\_\_\_\_ Old Total Depth \_\_\_\_\_

Domestic well within 330 feet: ... yes  no  
Municipal well within one mile: ... yes  no  
Depth to bottom of fresh water: 210'  
Depth to bottom of usable water: 220'

Directional, Deviated or Horizontal wellbore? ... yes  no  
If yes, total depth location: \_\_\_\_\_

Surface Pipe by Alternate:  1 ... 2  
Length of Surface Pipe Planned to be set: 240'  
Length of Conductor pipe required: N/A  
Projected Total Depth: 4300'  
Formation at Total Depth: Mississippi

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. The appropriate district office shall be notified before setting surface pipe;
2. The minimum amount of surface pipe as specified above 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;
3. If the well is dry, a plugging proposal shall be submitted to the district office. An agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
4. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
5. 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: 8/1/90 Signature of Operator or Agent: Sally R. Byers Title: Agent

FOR KCC USE:

API # 15- 151-22,002-0000  
 Conductor pipe required None feet  
 Minimum surface pipe required 240 feet per Alt. ①  
 Approved by: MDW 8/6/90  
 EFFECTIVE DATE: 8/11/90  
 This authorization expires: 2-6-91  
 (This authorization void if drilling not started within 6 months of effective date.)  
 Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

35  
26  
AUG - 3 1990  
8-3-90  
CONSERVATION DIVISION  
Wichita, Kansas

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.

PLAT OF ACREAGE ATTRIBUTABLE TO A WELL

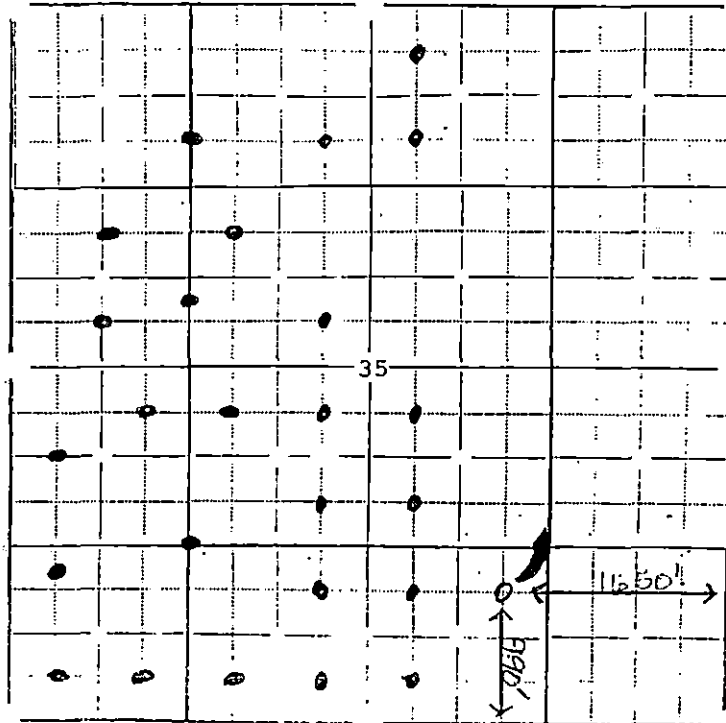
State Corporation Commission, Conservation Division  
 200 Colorado Derby Bldg. Wichita, Kansas 67202

OPERATOR TIMBERLINE OIL & GAS CORPORATION LOCATION OF WELL:

LEASE TROGDON 990 feet north of SE corner  
 WELL NUMBER 3 1650 feet west of SE corner  
 FIELD STEAD SOUTH SE/4 Sec. 35 T 26S R 12 X/W  
 COUNTY Pratt  
 NO. OF ACRES ATTRIBUTABLE TO WELL 10 IS SECTION X REGULAR     IRREGULAR?  
 DESCRIPTION OF ACREAGE S/2 SE/4 IF IRREGULAR, LOCATE WELL FROM NEAREST  
 CORNER BOUNDARY.

NOTE: If plat depicted is insufficient for your circumstances, you may attach your own scaled or surveyed plat.

PLAT



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 partial sections, 4 sections, 16 sections, etc.;
- 2) the well's location relative to the location of other wells producing from the same common source of supply in adjoining drilling units, pursuant to K.A.R. 82-3-108, 82-3-207, 82-3-312, or special orders of the Commission;
- 3) the distance of the proposed drilling location from the section's east and south lines; and
- 4) the distance to the nearest lease or unit boundary line.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Signature of Operator or Agent *Erley S. Byers*  
 Date 8/1/90 Title Agent