

EFFECTIVE DATE: 6-28-93

State of Kansas

DISTRICT # 2

NOTICE OF INTENTION TO DRILL

SSA7 Yes No

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

Expected Spud Date June 20, 1993 month day year

Spot NW1 - NW1 - NE1 Sec 3 Twp 25 S, Rg 8 East West

OPERATOR: License # 6044/ 9855 Name: Stelbar Oil Corp., Inc. / Grand Mesa Operating Co. Address: 155 N. Market, Suite #500 Wichita, KS 67202 Contact Person: Roscoe L. Mendenhall Phone: 316/264-8378 Fax 0592

600 feet from SOUTH / North line of Section 2240 feet from East / West line of Section IS SECTION REGULAR X IRREGULAR? (NOTE: Locate well on the Section Plat on Reverse Side)

CONTRACTOR: License #: 5929 Name: Duke Drilling Co., Inc.

County: Reno Lease Name: Kimbell Well #: 1-3 Field Name: Unknown Is this a Prorated/Spaced Field? yes X no Target Formation(s): Mississippi Nearest lease or unit boundary: 330 Ft. Ground Surface Elevation: 1572 Ft. Water well within one-quarter mile: yes X no Public water supply well within one mile: yes X no Depth to bottom of fresh water: 75 ft. Depth to bottom of usable water: 140 ft. Surface Pipe by Alternate: X 1 Length of Surface Pipe Planned to be set: (200 ft) 100 Length of Conductor pipe required: N/A Projected Total Depth: 4100 ft. Formation at Total Depth: Arbuckle Water Source for Drilling Operations: well farm pond X other DWR Permit #: Applied For Will Cores Be Taken?: yes X no If yes, proposed zone:

Well Drilled For: Well Class: Type Equipment: X Oil Enh Rec X Infield X Mud Rotary Gas Storage Pool Ext. Air Rotary OWD Disposal Wildcat Cable Seismic # of Holes Other If OWD: 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:

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: 06/11/93 Signature of Operator or Agent: Roscoe L. Mendenhall Petroleum Engineer

FOR KCC USE: API # 15- 155-21266-0000 Conductor pipe required None feet Minimum surface pipe required 100 feet per Alt. Approved by: CB 6-23-93 This authorization expires: 12-23-93 (This authorization void if drilling not started within 6 months of effective date.) Spud date: Agent:

RECEIVED STATE CORPORATION COMMISSION JUN 14 1993 6-14-93 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.

Mail to: Conservation Division, 200 Colorado Corby Building, 202 W. First St., Wichita, Kansas 67202-1286.

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.

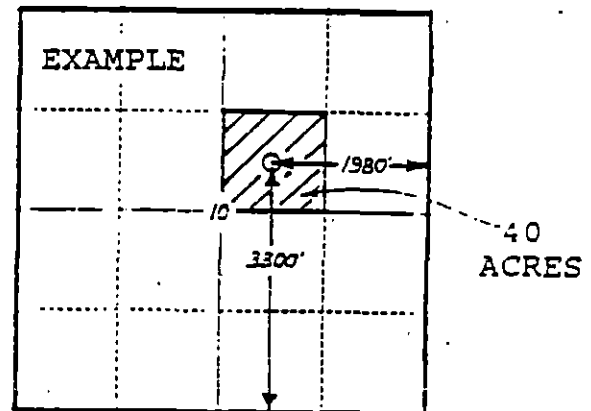
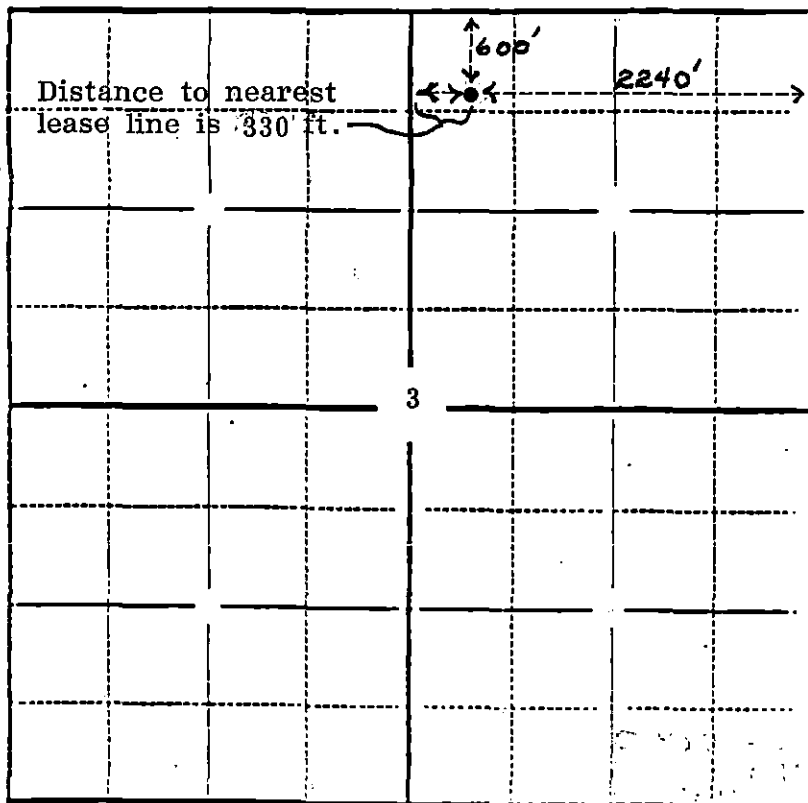
API NO. 15- \_\_\_\_\_  
 OPERATOR Stelbar Oil Corp., Inc. / Grand Mesa LOCATION OF WELL: COUNTY Reno  
 LEASE Kimbell Operating Corp. / 600 feet from ~~south~~ north line of section  
 WELL NUMBER #1-3 2240 feet from east/~~west~~ line of section  
 FIELD Unknown SECTION 3 TWP 25 South RG 8 West

NUMBER OF ACRES ATTRIBUTABLE TO WELL 40 IS SECTION \_\_\_\_\_ REGULAR or x IRREGULAR  
 QTR/QTR/QTR OF ACREAGE NW 1/4 - NW 1/4 - NE 1/4 IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST  
CORNER BOUNDARY.

Section corner used: x 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.)



Section 3-T25S-R8W, Reno County, Kansas

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.