

EFFECTIVE DATE: 3-6-2000

State of Kansas

FORM MUST BE TYPED

DISTRICT # 1

NOTICE OF INTENTION TO DRILL

FORM MUST BE SIGNED

SGA?  Yes  No

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

ALL BLANKS MUST BE FILLED

Expected Spud Date 03 10 2000 month day year

Spot 140 W of SE SE/4 NW/4 Sec 11 Twp 26 S, Rg 13 East West

OPERATOR: License # 32154 SAGEBRUSH OPERATING LLC 1888 Sherman Street, Suite 500 Denver, CO 80203 Contact Person: Robert D. Johnson Phone: 303-866-0011

2310 feet from South line of Section 2170 feet from East line of Section IS SECTION REGULAR IRREGULAR? (NOTE: Locate well on the Section Plat on Reverse Side) County: Pratt Lease Name: Shupe Well #: 11-6 Field Name: Rose Valley South Is this a Prorated/Spaced Field? yes no Target Formation(s): Lansing Nearest lease or unit boundary: 470' Ground Surface Elevation: 1910 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: 160' Depth to bottom of usable water: 180' Surface Pipe by Alternate: 1 2 Length of Surface Pipe Planned to be set: 200' Length of Conductor pipe required: Projected Total Depth: 4490' Formation at Total Depth: Arbuckle Water Source for Drilling Operations: well farm pond other

CONTRACTOR: License #: 5929 Duke Drilling

Well Drilled For: Well Class: Type Equipment: Oil Enh Rec Infield Mud Rotary Gas Storage 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 no If yes, true vertical depth: Bottom Hole Location:

(NOTE: Locate well on the Section Plat on Reverse Side) County: Pratt Lease Name: Shupe Well #: 11-6 Field Name: Rose Valley South Is this a Prorated/Spaced Field? yes no Target Formation(s): Lansing Nearest lease or unit boundary: 470' Ground Surface Elevation: 1910 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: 160' Depth to bottom of usable water: 180' Surface Pipe by Alternate: 1 2 Length of Surface Pipe Planned to be set: 200' Length of Conductor pipe required: Projected Total Depth: 4490' Formation at Total Depth: Arbuckle Water Source for Drilling Operations: well farm pond other

Will Cores Be Taken? yes no If yes, proposed zone:

\*NEAREST LEASE BOUNDARY WAS: 2170' IS: 470'

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: 2-25-00 Signature of Operator or Agent: Title: CEM

FOR KCC USE: API # 15- 151-221770000 Conductor pipe required NONE feet Minimum surface pipe required 200 feet per Alt. 1 Approved by: JK 3-1-20007 COR 3-24-2000 JK This authorization expires: 9-1-2000 (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 prorotation 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.

RECEIVED STATE CORPORATION COMMISSION 2-29-00 FEB 29 2000 CONSERVATION DIVISION Wichita, Kansas

11 26 13W

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 SAGEBRUSH OPERATING LLC  
 LEASE Shupe  
 WELL NUMBER 11-6  
 FIELD Rose Valley South

LOCATION OF WELL: COUNTY Pratt  
2310 feet from ~~east~~/north line of section  
2170 feet from ~~east~~/west line of section  
 SECTION 11 TWP 26 S RG 13 W

NUMBER OF ACRES ATTRIBUTABLE TO WELL \_\_\_\_\_  
 QTR/QTR/QTR OF ACREAGE \_\_\_\_\_

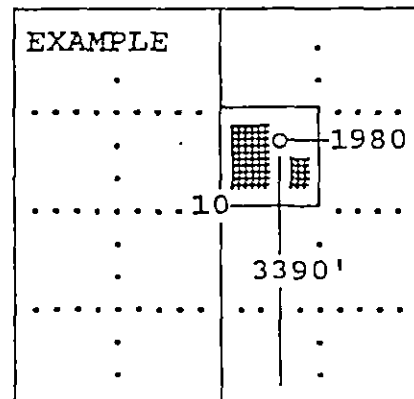
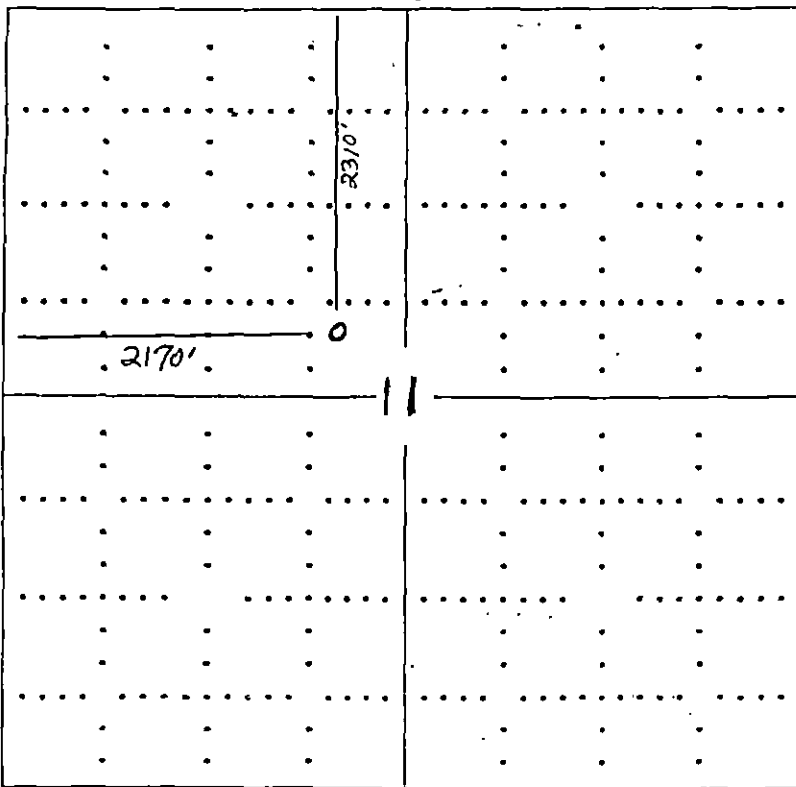
IS SECTION X REGULAR or \_\_\_\_\_ IRREGULAR  
IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.

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.

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; and
- 3) the distance to the nearest lease or unit boundary line.

FEB 29 2000