

FOR KCC USE:

EFFECTIVE DATE: 9-25-91

DISTRICT # 1

SEAT  Yes  No

State of Kansas

NOTICE OF INTENTION TO DRILL

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

FORM C-1 7/91

FORM MUST BE TYPED

FORM MUST BE SIGNED

ALL BLANKS MUST BE FILLED

Expected Spud Date September 23, 1991

Spot C SW SW Sec 5 Twp 26 S, Rg 13 East West

OPERATOR: License # 3613
Name: Hallwood Petroleum, Inc.
Address: 4582 S. Ulster Street Parkway, #1700
City/State/Zip: Denver, CO 80237
Contact Person: George Hutton
Phone: 316-792-2756

660 feet from South / West line of Section
660 feet from East / West line of Section
IS SECTION X REGULAR IRREGULAR?

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

County: Pratt
Lease Name: Frisbie Wall #: 7
Field Name: Frisbie

CONTRACTOR: License #: 5929
Name: Duke Drilling

Is this a Prorated/Spaced Field? yes X no
Target Formation(s): Arbuckle
Nearest lease or unit boundary: 660'

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

Ground Surface Elevation: 1950' feet MSL
Water well within one-quarter mile: X yes no
Public water supply well within one mile: X yes no

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

Depth to bottom of fresh water: 180'
Depth to bottom of usable water: 220-230'
Surface Pipe by Alternate: X 1 2
Length of Surface Pipe Planned to be set: 860'

Directional, Deviated or Horizontal wellbore? yes X no
If yes, true vertical depth:
Bottom Hole Location:

Length of Conductor pipe required: N/A
Projected Total Depth: 4400'
Formation at Total Depth: Arbuckle
Water Source for Drilling Operations: X well farm pond 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 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: 9/16/91 Signature of Operator or Agent: Signature Title: Sr. Engineering Technician

FOR KCC USE:
API # 15- 151-22,060-00-00
Conductor pipe required None feet
Minimum surface pipe required 250 feet per Alt. 1
Approved by: MPE 9-20-91
This authorization expires: 3-20-92
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: Agent:

RECEIVED
KANSAS CORPORATION COMMISSION
SEP 18 1991
9-18-91
CONSERVATION DIVISION
WICHITA, KSS

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 Derby Building, 202 W. First St., Wichita, Kansas 67202-1286.

5 26 1362

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 Hallwood Petroleum, Inc.  
 LEASE Frisbie  
 WELL NUMBER 7  
 FIELD Frisbie

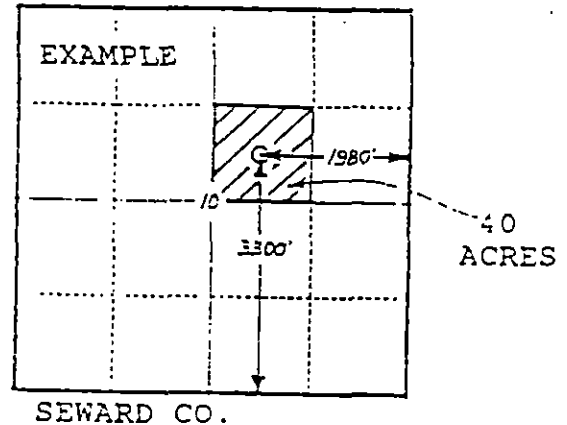
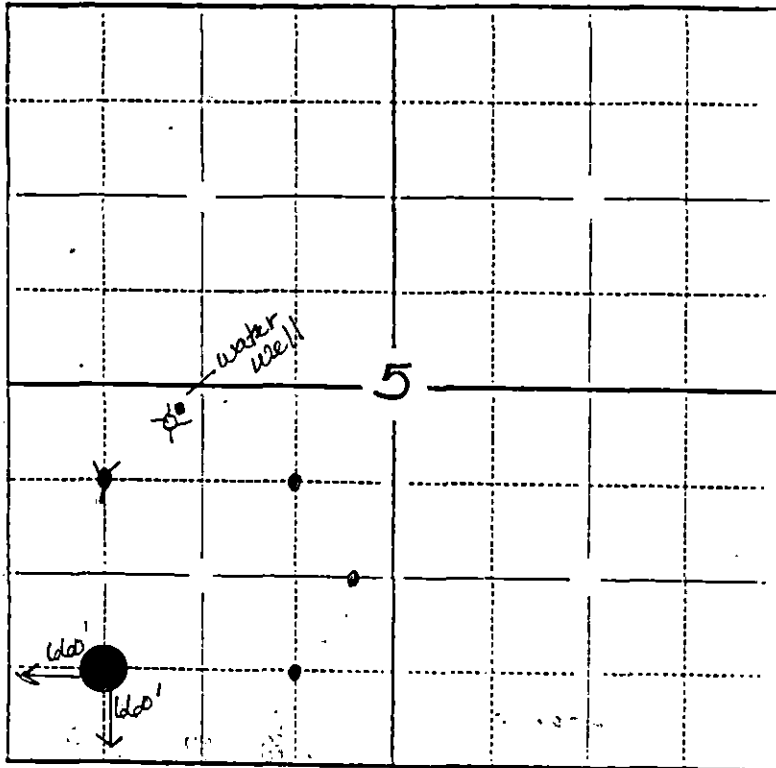
LOCATION OF WELL: COUNTY Pratt  
660' feet from south/north line of section  
660' feet from east/west line of section  
 SECTION 5 TWP 26S RG 13W

NUMBER OF ACRES ATTRIBUTABLE TO WELL 10  
 QTR/QTR/QTR OF ACREAGE C - SW - SW

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.)



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.