

OWWO

For KCC Use: Effective Date: 1-28-2001 District #: 2 SGA? Yes No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1 September 1999 Form must be Signed All blanks must be Filled

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date 1 23 2001 month day year

OPERATOR: License# 5849 Name: North American Drilling Address: 3420 10th City/State/Zip: Great Bend, Kansas 67530 Contact Person: Marvin Frankamp Phone: 316-264-1367

CONTRACTOR: License# 6039 Name: L. D. Drilling

Spot NE - NE - NE Sec. 35 Twp. 29S S. R. 8 East West 330 feet from S / N (circle one) Line of Section 330 feet from E / W (circle one) Line of Section Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Kingman Lease Name: Schwartz Well #: 1 Field Name: S pivey-Grabs Is this a Prorated / Spaced Field? Yes No Target Information(s): Miss.

Nearest Lease or unit boundary: 330 feet Ground Surface Elevation: 1556 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: 150 feet Depth to bottom of usable water: 150 / 180 feet Surface Pipe by Alternate: 1 2 Length of Surface Pipe ~~Planned to be set:~~ 217' set

Length of Conductor Pipe required: none Projected Total Depth: 4300' Producing Formation Target: Miss.

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: _____

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

EXHIBIT PERMIT

If OWWO: old well information as follows:

Operator: Rupp Ferguson Oil Co. Well Name: Cline #1 Original Completion Date: 2-17-56 Original Total Depth: 4575

Directional, Deviated or Horizontal wellbore? Yes No

If Yes, true vertical depth: _____

Bottom Hole Location: _____

KCC DKT #: _____

RECEIVED KANSAS CORPORATION COMMISSION WICHITA, KS

JAN 18 2001

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: 1-17-2001 Signature of Operator or Agent: Marvin Frankamp Title: V.P.

For KCC Use ONLY

API # 15 - 095-00162-0001

Conductor pipe required NONE feet

Minimum surface pipe required 217 feet per Alt. (1)

Approved by: JK 1-23-2001

This authorization expires: 7-23-2001

(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 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.

35 29 8W

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

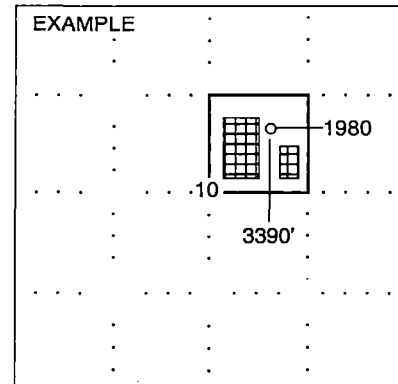
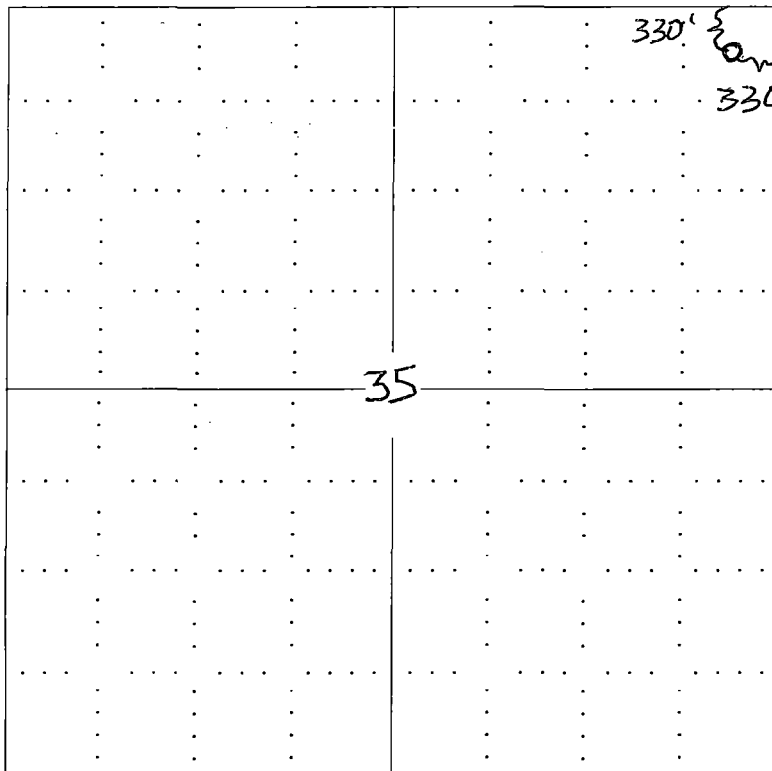
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and 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: _____
 Lease: _____
 Well Number: _____
 Field: _____
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: _____

Location of Well: County: _____
 _____ feet from S / N (circle one) Line of Section
 _____ feet from E / W (circle one) Line of Section
 Sec. _____ Twp. _____ S. R. _____ East West
 Is Section _____ 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.)*



NOTE: In all cases locate the spot of the proposed drilling locaton.

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.
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).