

FOR KCC USE:

FORM C-1 7/91

EFFECTIVE DATE: 11-21-92

FORM MUST BE TYPED

DISTRICT # 2

State of Kansas
NOTICE OF INTENTION TO DRILL

FORM MUST BE SIGNED

SEAT: 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 11 12 92
month day year

Spot SE SW NW 31 30S 8W East
SE SW NW Sec Twp S, Rg West

OPERATOR: License # 30793
Name: Energy Marketing, Inc.
Address: c/o 601 S. Boulder, Suite 600
City/State/Zip: Tulsa, OK 74119
Contact Person: Mark Reichardt
Phone: (918) 583-1600

2970 feet from South North line of Section
750 feet from East West line of Section
IS SECTION X REGULAR IRREGULAR

CONTRACTOR: License # 5929
Name: Duke Drilling Company

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

County: Kingman
Lease Name: Conrardy Well #: 4-31
Field Name: Spivey-Grabs-Basil

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

Is this a Prorated/Spaced Field? X yes no
Target Formation(s): Mississippi
Nearest lease or unit boundary: 750'
Ground Surface Elevation: 1681 feet MSL

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

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: 100' 180'

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

Depth to bottom of usable water: 200'
Surface Pipe by Alternate: X 1 2
Length of Surface Pipe Planned to be set: 325
Length of Conductor pipe required: N/A

Projected Total Depth: 4500'
Formation at Total Depth: Mississippi
Water Source for Drilling Operations:
X well farm pond other

DWR Permit #:
Well Cores Be Taken? yes X no
If yes, proposed zone:

AFFIDAVIT

Docket No. 52,323-C
(G-5,019)

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 IS 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: 10/20/92 Signature of Operator or Agent: Mark Reichardt Title: Senior Engineer

FOR KCC USE:
API # 15-095-24670-0000
Conductor pipe required None feet
Minimum surface pipe required 200' feet per Alt. (1)R
Approved by: CB 11-16-92
This authorization expires: 4-16-93
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: Agent:

RECEIVED
KANSAS CORPORATION COMMISSION
OCT 21 1992
10-21-92
CONSERVATION DIVISION
WICHITA, KS

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 prorator 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.

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 Energy Marketing, Inc.
 LEASE Conrardy
 WELL NUMBER #4-31
 FIELD Spivey-Grabs

LOCATION OF WELL: COUNTY Kingman
 _____ feet from south/north line of section
2970
 _____ feet from east/west line of section
750
 SECTION 31 TWP 30S RG 8W

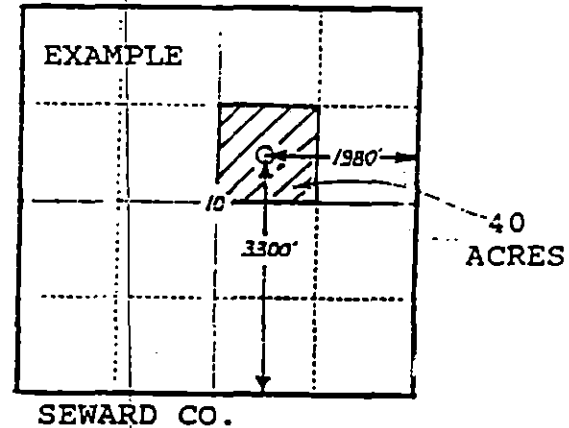
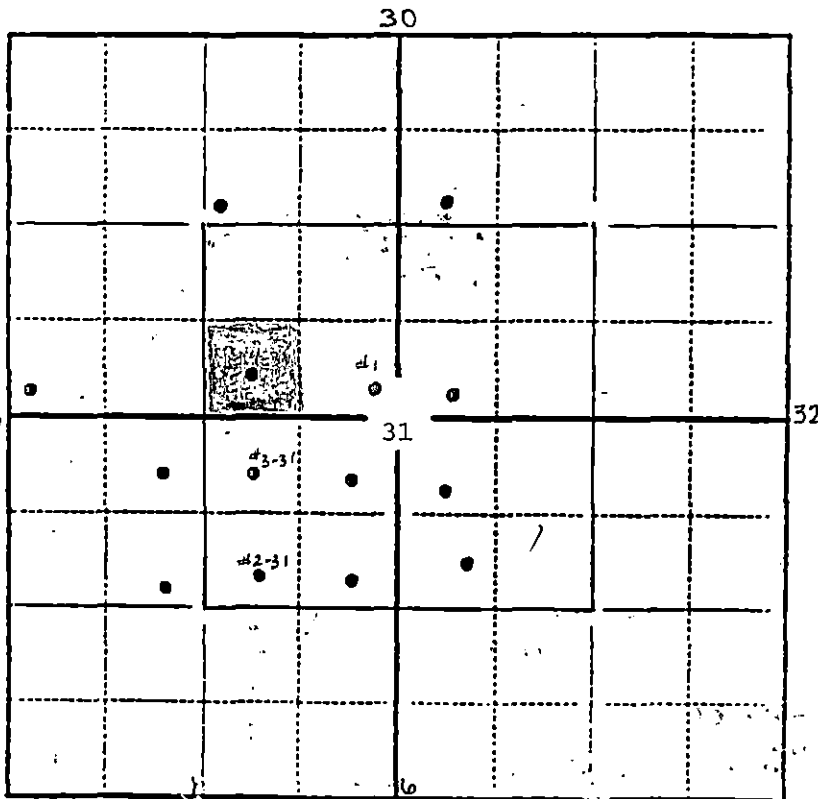
NUMBER OF ACRES ATTRIBUTABLE TO WELL 40
 QTR/QTR/QTR OF ACREAGE SE - SW - NW

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.