

FOR KCC USE:

FORM C-1 7/91

EFFECTIVE DATE: 8-4-98

FORM MUST BE TYPED

DISTRICT # 7

State of Kansas
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: 7 8 - 31 4 - 98
month day year

Spot 175' N of
SE- NE- NW- Sec 36. Twp 30S, Rg 9. East West

OPERATOR: License # 5123
Name: Pickrell Drilling Company, Inc.
Address: 110 N. Market, Suite 205
City/State/Zip: Wichita, Kansas 67202
Contact Person: Larry J. Richardson
Phone: 316-262-8427

990 815 feet from South / North line of Section
2310 feet from East / West line of Section
IS SECTION REGULAR IRREGULAR?

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

CONTRACTOR: License # 5123
Name: Company Tools

County: Kingman
Lease Name: Swingle "A" Well #: 4
Field Name: Spivey Grabs

Is this a Prorated/Spaced Field? yes no
Target Formation(s): Mississippian

Nearest Lease or unit boundary: 330'
Ground Surface Elevation: 1668 feet MSL

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

Water well within one-quarter mile: yes no
Public water supply well within one mile: yes no

Depth to bottom of fresh water: 180'
Depth to bottom of usable water: 180'

If OWMO: old well information as follows:

Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 200'+

Length of Conductor pipe required: N/A
Projected Total Depth: 4500

Operator: _____
Well Name: _____
Comp. Date: _____ Old Total Depth _____

Formation at Total Depth: Mississippian
Water Source for Drilling Operations:

Directional, Deviated or Horizontal wellbore? yes no

... well ... farm pond other
DWR Permit #: _____
Will Cores Be Taken? yes no

If yes, true vertical depth: _____
Bottom Hole Location: _____

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: 7-27-98 Signature of Operator or Agent: _____ Title: Geologist

FOR KCC USE:
 API # 15- 095-217460000
 Conductor pipe required NONE feet
 Minimum surface pipe required 200 feet per Alt. ① X
 Approved by: JK 7-30-98
 This authorization expires: 1-30-99
 (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.

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

36 30 9W

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.

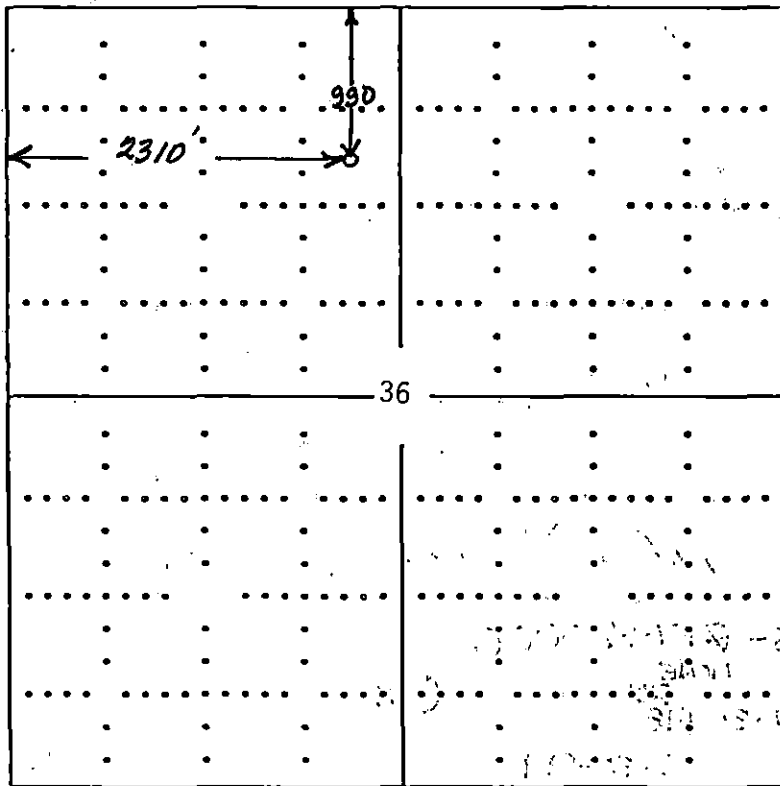
API NO. 15- _____
 OPERATOR Pickrell Drilling Co. Inc. LOCATION OF WELL: COUNTY Kingman
 LEASE Swingle "A" 990 feet from south/north line of section
 WELL NUMBER 4 2310 feet from east/west line of section
 FIELD Spivey-Grabs SECTION 36 TWP 30S RG 9W

NUMBER OF ACRES ATTRIBUTABLE TO WELL 40 IS SECTION X REGULAR or _____ IRREGULAR
 QTR/QTR/QTR OF ACREAGE SE - NE - NW **IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.**

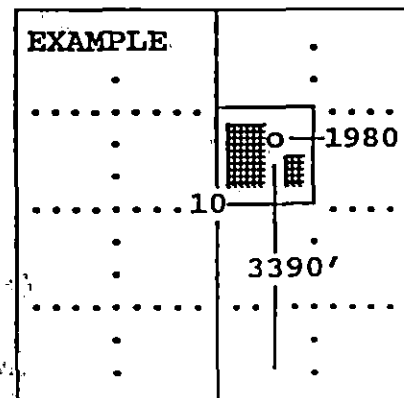
Section corner used: NE X NW SE SW

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.)



ONE SECTION



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.