

FOR KCC USE:

FORM C-1 7/91

EFFECTIVE DATE: 5-5-97

State of Kansas

FORM MUST BE TYPED

DISTRICT # 2

NOTICE OF INTENTION TO DRILL

FORM MUST BE SIGNED

SGA7:  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 March 10, 1997  
month day year

Spot C-S/2 of NE NE Sec 36 Twp 30S S, Rg 09W East West

OPERATOR: License # 31088  
Name: COLT RESOURCES CORPORATION  
Address: 16701 Greenspoint Park Drive, Suite 225  
City/State/Zip: Houston, Texas 77060  
Contact Person: Ed Childers  
Phone: 713/876-1209

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

CONTRACTOR: License #: 5929  
Name: DUKE DRILLING CO., INC.

(NOTE: Locate well on the Section Plat on Reverse Side)  
County: Kingman  
Lease Name: SWINGLE Well #: 3  
Field Name: Spivey-Grabs

Well Drilled For: Well Class: Type Equipment:  
 Oil ... Enh Rec  Infield  Mud Rotary  
 Gas ... Storage ... Pool Ext. ... Air Rotary  
 OAWO ... Disposal ... Wildcat ... Cable  
 Seismic; ... # of Holes ... Other  
 Other  
If OAWO: old well information as follows:  
Operator: \_\_\_\_\_  
Well Name: \_\_\_\_\_  
Comp. Date: \_\_\_\_\_ Old Total Depth \_\_\_\_\_

Is this a Prorated/Spaced Field?  yes  no  
Target Formation(s): Miss  
Nearest lease or unit boundary: 660' 330'  
Ground Surface Elevation: 1675' feet MSL

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

Water well within one-quarter mile:  yes  no  
Public water supply well within one mile:  yes  no  
Depth to bottom of fresh water: 120'  
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: N/A  
Projected Total Depth: 4500'  
Formation at Total Depth: Mississippi  
Water Source for Drilling Operations:  
... well ... farm pond  other

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

AFFIDAVIT

RECEIVED

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with the provisions of the Conservation Commission Act, et. seq.  
It is agreed that the following minimum requirements will be met:

MAR 06 1997

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: 2/27/97 Signature of Operator or Agent: Sally Byers Title: \_\_\_\_\_ Agent

FOR KCC USE:  
 API # 15- 095-217280000  
 Conductor pipe required NONE feet  
 Minimum surface pipe required 200 feet per Alt.  X  
 Approved by: JK 4-30-97  
 This authorization expires: 10-30-97  
 (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 prorated 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: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202.

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

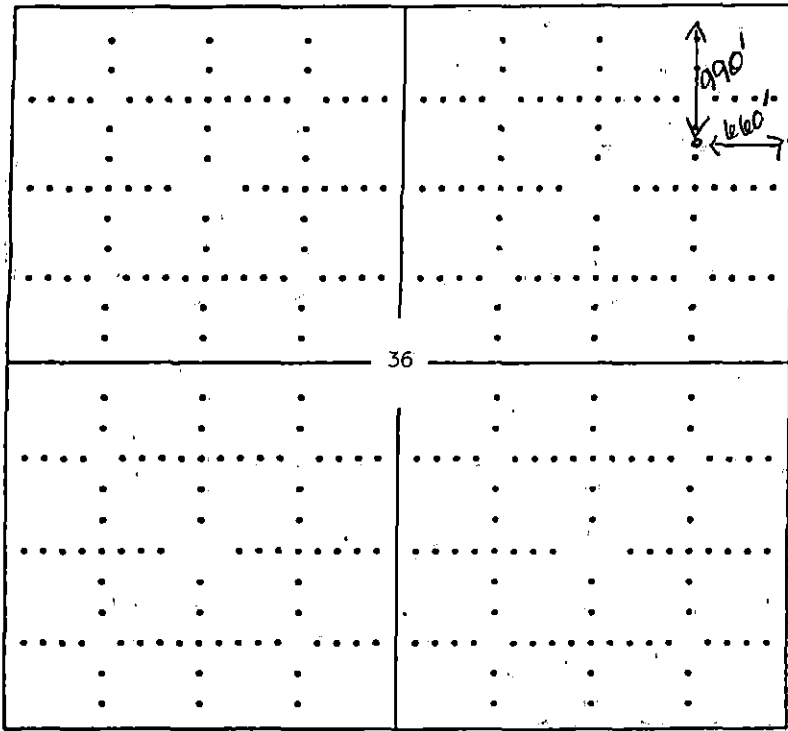
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 COLT RESOURCES CORPORATION LOCATION OF WELL: COUNTY Kingman  
 LEASE CONRARDY-SWINGLE \_\_\_\_\_ 990 feet from ~~south~~/north line of section  
 WELL NUMBER 3 \_\_\_\_\_ 660 feet from east/~~west~~ line of section  
 FIELD Spivey-Grabs SECTION 36 TWP 30S RG 9W

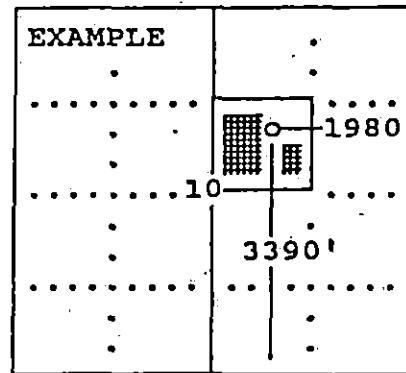
NUMBER OF ACRES ATTRIBUTABLE TO WELL 40 IS SECTION X REGULAR or \_\_\_\_\_ IRREGULAR  
 QTR/QTR/QTR OF ACREAGE \_\_\_\_\_ NE \_\_\_\_\_ NE IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST  
CORNER BOUNDARY.  
 Section corner used: X NE \_\_\_\_\_ NW \_\_\_\_\_ SE \_\_\_\_\_ SW

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.)



KINGMAN COUNTY



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.