

EFFECTIVE DATE: 1-23-91

FORM MUST BE TYPED
FORM C-1 4/90

State of Kansas

NOTICE OF INTENTION TO DRILL

FORM MUST BE SIGNED
ALL BLANKS MUST BE FILLED

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

Expected Spud Date: 01/21/91 C N2NE SW 15 Twp 16 S Rg 12 West East West

OPERATOR: License # 3982 2310 feet from South Line of Section 1
3300 feet from East Line of Section 1

(Note: Locate well on Section Plat on Reverse Side)

Name: JAMES ENERGY MANAGEMENT INC.
Address: 44 INVERNESS BLDG. A SUITE A
City/State/Zip: ENGLEWOOD CO 80112
Contact Person: JAMES WECHTOR
Phone: (303) 799-4411

County: BARTON
Lease Name: HOFMEISTER Well# #1
Field Name: WILDCAT

CONTRACTOR: License # 4083
Name: WESTERN KANSAS DRILLING

Is this a Prorated Field? ARBUCKLE yes XX no XX
Target Formation(s): 330
Nearest lease or unit boundary: N/A
Ground Surface Elevation: 350 feet MSL
Domestic well within 330 feet: XX yes XX no XX
Municipal well within one mile: XX yes XX no XX
Depth to bottom of fresh water: 550
Depth to bottom of usable water: 200
Surface Pipe by Alternate: 1
Length of Surface Pipe Planned to be set: 3300
Length of Conductor Pipe required: *****
Projected Total Depth: 3300
Formation at Total Depth: ARBUCKLE
Water Source for Drilling Operations: well XX farm pond XX other XX
DWR Permit# XX
Will Cores Be Taken? XX yes XX no XX
If yes, proposed zone: XX

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

If OWWO; old well information as follows:
Operator: XX
Well Name: XX
Comp Date: XX Old Total Depth: XX

Directional, Deviated or Horizontal Wellbore? XX yes XX no XX
If yes, total depth location: XX

AFIDAVIT

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. The appropriate district office shall be notified before setting surface pipe;
2. The minimum amount of surface pipe as specified above 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;
3. If the well is dry, a plugging proposal shall be submitted to the district office. An agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
4. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
5. 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: 01/18/91 Signature of Operator or Agent: [Signature] Title: AS AGENT
SEARCH, INC.

FOR KCC USE:
API # 15- 009-24,460 000
Conductor Pipe required None feet
Minimum surface pipe required 200 feet per Alt. • (2)
Approved by: [Signature]
EFFECTIVE DATE: 1-23-91
This authorization expires: 7-18-91
(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.

CONSERVATION DIVISION
Wichita, Kansas
JAN 18 1991
15
16
17

PLAT OF ACREAGE ATTRIBUTABLE TO A WELL

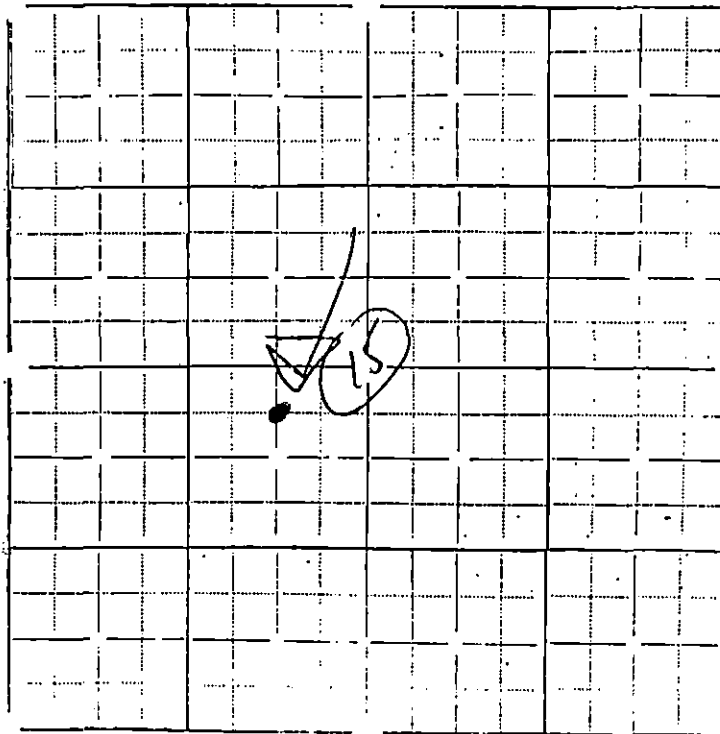
State Corporation Commission, Conservation Division
200 Colorado Derby Bldg. Wichita, Kansas 67202

OPERATOR JAMES ENERGY MANAGEMENT LOCATION OF WELL:
LEASE HOFMEISTER 2310 feet north of SE corner
WELL NUMBER #1 3300 feet west of SE corner
FIELD WILDCAT SW Sec. 15 T 14 R 12 SW
COUNTY BARTON
NO. OF ACRES ATTRIBUTABLE TO WELL _____ IS SECTION REGULAR IRREGULAR?
DESCRIPTION OF ACREAGE SW CORNER BOUNDARY.
IF IRREGULAR, LOCATE WELL FROM NEAREST

NOTE: If plat depicted is insufficient for your circumstances, you may attach your own scaled or surveyed plat.

*non-prorated field

PLAT



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 partial sections, 4 sections, 16 sections, etc.;
- 2) the well's location relative to the location of other wells producing from the same common source of supply in adjoining drilling units, pursuant to K.A.R. 82-3-108, 82-3-207, 82-3-312, or special orders of the Commission;
- 3) the distance of the proposed drilling location from the section's east and south lines; and
- 4) the distance to the nearest lease or unit boundary line.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Signature of Operator or Agent [Signature]
Date 01/18/91 Title SEARCH, INC.