

EFFECTIVE DATE: 12-25-89

FORM MUST BE TYPED
FORM C-1 12/88

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 March 1, 1989
month day year

SE NE NE Sec 35 Twp 21 S, Rg 12 East
..... X West

OPERATOR: License # 3672
Name: HELM ENERGY COMPANY
Address: 6104 E. 32nd - Suite 208
City/State/Zip: Tulsa, Oklahoma 74135
Contact Person: John Helm
Phone: 918/665-3740

4290
330
..... feet from South line of Section
..... feet from East line of Section
(Notes: Locate well on Section Plat Below)

CONTRACTOR: License # 5864
Name: LOBO DRILLING COMPANY

County: Stafford
Lease Name: Sittnor Well #: 3
Field Name: Max

Well Drilled For: Well Class: Type Equipments:
..X Oil ... Inj ..X Infield X Mud Rotary
... Gas ... Storage ... Pool Ext. ... Air Rotary
... OAWO ... Disposal ... Wildcat ... Cable
... Seismic; ... # of Holes

Is this a Prorated Field? Arbuckle.. yes ..X no
Target Formation(s): Arbuckle
Nearest lease or unit boundary: 330'
Ground Surface Elevation: Unknown feet MSL
Domestic well within 330 feet: ... yes ..X.. no
Municipal well within one mile: ... yes ..X.. no
Depth to bottom of fresh water: 200'
Depth to bottom of usable water: 200'
Surface Pipe by Alternate: ..X.. 1 ... 2
Length of Surface Pipe Planned to be set: 450'
Length of Conductor pipe required: None
Projected Total Depth: 3700'
Formation at Total Depth: Arbuckle
Water Source for Drilling Operations:
X well ... farm pond ... other
DWR Permit #: Applied For
Will Cores Be Taken?: ... yes ..X.. no
If yes, proposed zones:

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

Directional, Deviated or Horizontal wellbore? yes ..X.. no
If yes, total depth location:

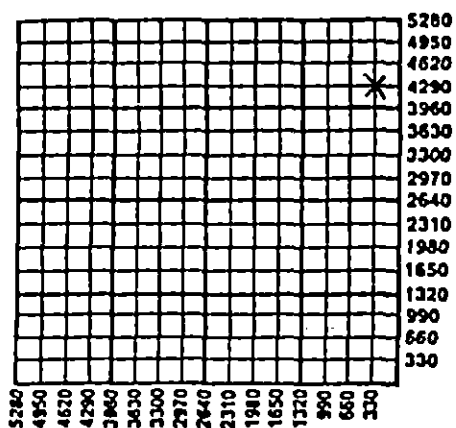
AFFIDAVIT

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. 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: 12/13/89 Signature of Operator or Agent: James B. Phillips Title: Agent



2 in
12-14-89

FOR KCC USE:
API # 15-185-22,643-0000
Conductor pipe required NONE feet
Minimum surface pipe required 300 feet per Alt. 1 X
Approved by: DPW 12-20-89
EFFECTIVE DATE: 12-25-89
This authorization expires: 6-20-90
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

35
21
12W

- REMEMBER TO:
- File Drill/SPIT 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 prorotation 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.