

For KCC Use: Effective Date 8-1-2001  
District # 1  
SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

JUL 26 2001

Form must be Typed  
Form must be Signed  
All blanks must be Filled

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date 08 24 01  
month day year

OPERATOR: License# 6929 6926 ✓  
Name: Advantage Resources, Inc.  
Address: 1775 Sherman St., Suite 1900  
City/State/Zip: Denver, CO 80203  
Contact Person: David Pauly  
Phone: 316-264-0490

CONTRACTOR: License# 5929 ✓  
Name: Duke Drilling Co., Inc.

Well Drilled For:	Well Class:	Type Equipment:
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield
<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input checked="" type="checkbox"/> Mud Rotary
<input type="checkbox"/> OWWO	<input type="checkbox"/> Disposal	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> Seismic; # of Holes	<input type="checkbox"/> Wildcat	<input type="checkbox"/> Cable
<input type="checkbox"/> Other	<input type="checkbox"/> Other	

If OWWO: old well information as follows:  
Operator: \_\_\_\_\_  
Well Name: \_\_\_\_\_  
Original Completion Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

Directional, Deviated or Horizontal wellbore?  Yes  No  
If Yes, true vertical depth: \_\_\_\_\_  
Bottom Hole Location: \_\_\_\_\_  
KCC DKT #: \_\_\_\_\_

CONSERVATION DIVISION

WICHITA, KS

Spot APPROX.  
W/2 SW NE Sec. 18 Twp. 28 S. R. 17  
 East  
 West  
2100 feet from S / (N) (circle one) Line of Section  
2280 feet from (E) / W (circle one) Line of Section  
Is SECTION  Regular  Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Kiowa  
Lease Name: Parnell Well #: 3  
Field Name: Hardy

Is this a Prorated / Spaced Field?  Yes  No

Target Formation(s): Mississippi

Nearest Lease or unit boundary: 2100

Ground Surface Elevation: 2191 feet MSL

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: 220

Surface Pipe by Alternate: X 1 / 2

Length of Surface Pipe Planned to be set: 450'

Length of Conductor Pipe required: \_\_\_\_\_

Projected Total Depth: 4900'

Formation at Total Depth: Kinderhook

Water Source for Drilling Operations:

Well X Farm Pond \_\_\_\_\_ Other \_\_\_\_\_

DWR Permit #: \_\_\_\_\_

(Note: Apply for Permit with DWR )

Will Cores be taken?  Yes  No

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: 7-26-01 Signature of Operator or Agent: [Signature] Title: Agent

For KCC Use ONLY

API # 15 - 097-21470-0000

Conductor pipe required NONE feet

Minimum surface pipe required 240 feet per Alt. (1) R

Approved by: JK 7-27-2001

This authorization expires: 1-27-2002  
(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.

18  
28  
17W

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 and 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: Advantage Resources  
Lease: Kernal  
Well Number: # 3  
Field: Hardy  
Number of Acres attributable to well: \_\_\_\_\_  
QTR / QTR / QTR of acreage: SW - NE

Location of Well: County: Kiowa  
2100 feet from S (N) Line of Section  
2280 feet from (E) / W Line of Section  
Sec. 18 Twp. 28 S. R. 17  East  West

Is Section X Regular or \_\_\_\_\_ Irregular

If Section is Irregular, locate well from nearest corner boundary.  
Section corner used: \_\_\_ NE \_\_\_ NW \_\_\_ SE \_\_\_ SW

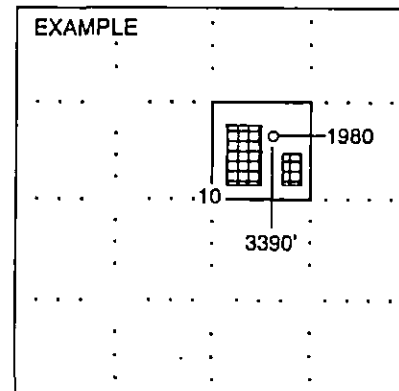
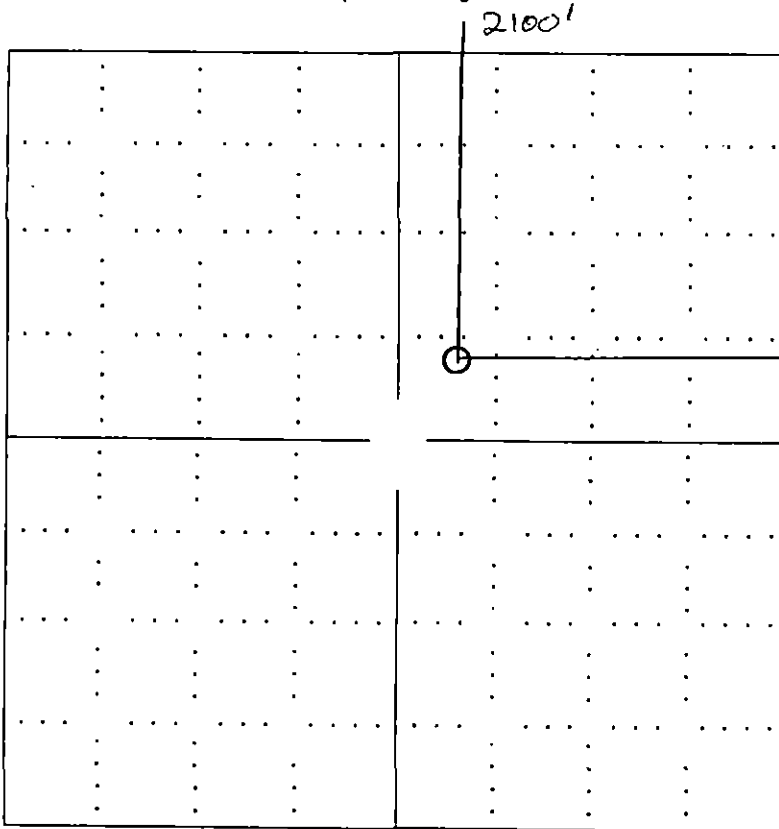
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JUL 26 2001

CONSERVATION DIVISION  
WICHITA, KS

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.)



SEWARD CO.

NOTE: In all cases locate the spot of the proposed drilling location.

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.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG-8 for gas wells).