

EFFECTIVE DATE: 12-19-90

State of Kansas

NOTICE OF INTENTION TO DRILL

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

Expected Spud Date December 19, 1990

C... SW NW Sec 18... Twp 28S S, Rg 17. X East West

OPERATOR: License # Advantage Resources #6926
(Schulein Company # 6785)
Name: Advantage Resources/Schulein Company
Address: 1775 Sherman Street, Suite 1375
City/State/Zip: Denver, Colorado 80203
Contact Person: Harry J. Mead
Phone: 316-278-2131

... 3300... feet from South line of Section
... 4620... feet from East line of Section
(Note: Locate well on Section Plat on Reverse Side)

CONTRACTOR: License # 452 5142
Name: Sterling Drilling Company

County: Kiowa County, Kansas
Lease Name: Byrd Hardy Well #: 1
Field Name: UNNAMED

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

Is this a Prorated Field? ... yes .. no
Target Formation(s): Mississippi
Nearest lease or unit boundary: 660
Ground Surface Elevation: 2220 approx. feet MSL

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

Domestic well within 330 feet: ... yes .. no
Municipal well within one mile: ... yes .. no
Depth to bottom of fresh water: 200 220
Depth to bottom of usable water: 375

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

Surface Pipe by Alternate: . 1 2
Length of Surface Pipe Planned to be set: 450
Length of Conductor pipe required: none
Projected Total Depth: 4900
Formation at Total Depth: Mississippi
Water Source for Drilling Operations:

well farm pond other
DWR Permit #: applied for by Sterling Drilling Co.
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. 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: 12-13-90..... Signature of Operator or Agent: Harry J. Mead Title... Agent.....

FOR KCC USE:
API # 15- 097-21,304-0000
Conductor pipe required None feet
Minimum surface pipe required 400 feet per Alt. 2
Approved by: MRW 12-14-90
EFFECTIVE DATE: 12-19-90
This authorization expires: 6-14-91
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

RECEIVED
STATE CORPORATION COMMISSION
DEC 14 1990
CONSERVATION DIVISION
Wichita, Kansas

18
28
MLV

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.

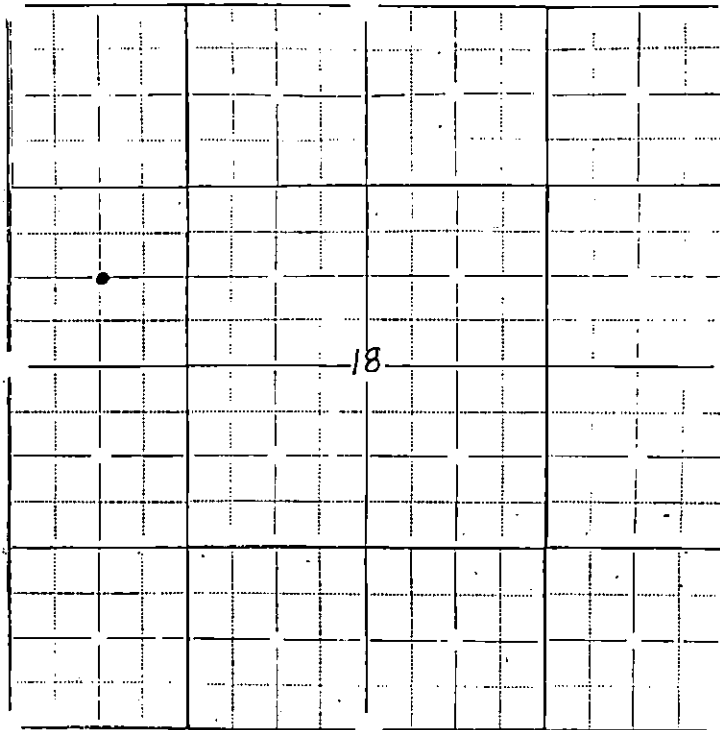
PLAT OF ACREAGE ATTRIBUTABLE TO A WELL

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

Advantage Resources Inc &
OPERATOR Schulein Company **LOCATION OF WELL:**
LEASE Byrd Hardy 3300 feet north of SE corner
WELL NUMBER #1 4620 feet west of SE corner
FIELD _____ C SW NW Sec. 18 T 28 R 17 E/W
 COUNTY Kiowa
NO. OF ACRES ATTRIBUTABLE TO WELL 160 **IS SECTION** x **REGULAR** _____ **IRREGULAR?**
DESCRIPTION OF ACREAGE C SW NW, **IF IRREGULAR, LOCATE WELL FROM NEAREST**
Sec. 18-28S-17W **CORNER BOUNDARY.**

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

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: Harry J. Mead
 Date December 13, 1990 Title Agent