

FOR KCC USE:

FORM C-1 7/91

EFFECTIVE DATE: 1-29-92

FORM MUST BE TYPED

DISTRICT # 4

State of Kansas

FORM MUST BE SIGNED

SGA? Yes No

NOTICE OF INTENTION TO DRILL

ALL BLANKS MUST BE FILLED

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

Expected Spud Date 03 15 92 month day year

Spot NW NE SE Sec 26 Twp 1S S. Rg 35 XX East West

OPERATOR: License # 30700 Name: Abraxas Production Corporation Address: P.O. Box 17485 San Antonio, Texas 78217 Contact Person: Mark E. Mecke Phone: 512-828-5354

2310 feet from South / North line of Section 990 feet from East / West line of Section IS SECTION X REGULAR IRREGULAR? (NOTE: Locate well on the Section Plat on Reverse Side)

CONTRACTOR: License #: 30606 Name: Murfin Drilling Company

County: Rawlins Lease Name: Skolout B. Well #: 3 Field Name: St. John's Cemetary Is this a Prorated/Spaced Field? yes X no Target Formation(s): Lansing KG Nearest lease or unit boundary: 990 Ground Surface Elevation: 3205 feet MSL Water well within one-quarter mile: yes X no Public water supply well within one mile: yes X no Depth to bottom of fresh water: 125 Depth to bottom of usable water: 200 Surface Pipe by Alternate: X 1 2 Length of Surface Pipe Planned to be set: 300 Length of Conductor pipe required: NA Projected Total Depth: 4350' Formation at Total Depth: Lansing KC Water Source for Drilling Operations: well X farm pond other

Well Drilled For: Well Class: Type Equipment: X Oil Enh Rec Infield X Mud Rotary Gas Storage X Pool Ext. Air Rotary OWWO Disposal Wildcat Cable Seismic; # of Holes Other

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

Directional, Deviated or Horizontal wellbore? yes X no If yes, true vertical depth: Bottom Hole 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. 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: 1/20/92 Signature of Operator or Agent: Mark Mecke Title: Production Manager

FOR KCC USE: API # 15- 153-20786-00-00 Conductor pipe required none feet Minimum surface pipe required 250 feet per Alt. 1 Approved by: MME 1-24-92 This authorization expires: 7-24-92 (This authorization void if drilling not started within 6 months of effective date.) Spud date: Agent:

RECEIVED STATE CORPORATION COMMISSIONER JAN 24 1992 1-24-92 CONSERVATION DIVISION WICHITA, KANSAS

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.

Mail to: Conservation Division, 200 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1286.

Handwritten initials and numbers: 25, 1, 35W

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 Abraxas Production Corporation
 LEASE Skolout B
 WELL NUMBER 3
 FIELD St. John's Cemetary

LOCATION OF WELL: COUNTY Rawlins
2310 feet from south/north line of section
990 feet from east/west line of section
 SECTION 26 TWP 1S RG 35W

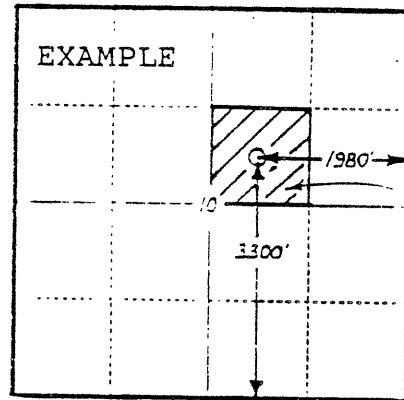
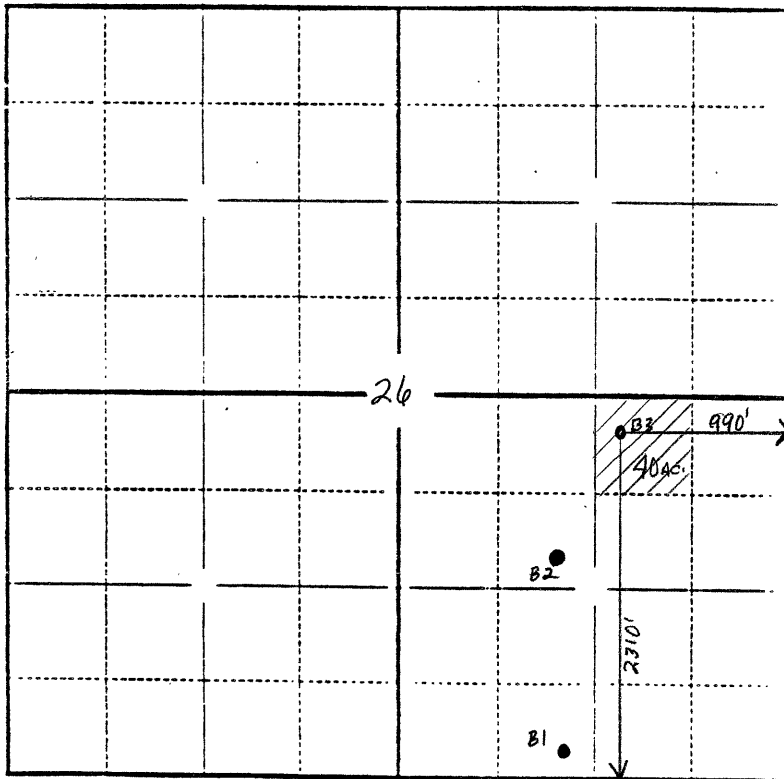
NUMBER OF ACRES ATTRIBUTABLE TO WELL 40
 QTR/QTR/QTR OF ACREAGE NW - NE - SE

IS SECTION X REGULAR or IRREGULAR
IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.

Section corner used: 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.)



40
ACRES

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 lines; and
- 3) the distance to the nearest lease or unit boundary line.