

EFFECTIVE DATE: 11-07-89

OWWO

FORM MUST BE TYPED
FORM C-1 12/88

State of Kansas

FORM MUST BE SIGNED
ALL BLANKS MUST BE FILLED

NOTICE OF INTENTION TO DRILL

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

Expected Spud Date November 07, 1989
month day year

SW SE NE Sec 21 Twp 2 S, Rg 7 East
 West

2970
990
feet from South line of Section
feet from East line of Section

(Note: Locate well on Section Plat Below)

OPERATOR: License # 4528
Name: Paul Priatelj
Address: 409 United Bank Bldg
City/State/Zip: Pueblo, CO 81003
Contact Person: Paul Priatelj
Phone: (719) 544-211

County: Jewell
Lease Name: Olsen Well #: 21-1
Field Name: NA UNKNOWN

CONTRACTOR: License #: _____
Name: Unknown Advise on ACO-1

Is this a Prorated Field? ... yes no X
Target Formation(s): Permian sand (?)

Nearest lease or unit boundary: 330'
Ground Surface Elevation: 1721 feet MSL

Well Drilled For: Well Class: Type Equipment:

Domestic well within 330 feet: ... yes no X
Municipal well within one mile: ... yes no X

... Oil ... Inj ... Infield X. Mud Rotary
... Gas ... Storage ... Pool Ext. ... Air Rotary
 X. OWWO ... Disposal X. Wildcat X. Cable
... Seismic; ... # of Holes

Depth to bottom of fresh water: NA 280'
Depth to bottom of usable water: NA 800'

Surface Pipe by Alternate: NA 1 X 2

Length of Surface Pipe ~~planned to be set~~: NA 306'
Length of Conductor pipe required: NA

If OWWO: old well information as follows:
Operator: Sirocco Oil & Gas
Well Name: #21-1 Olsen
Comp. Date: 10/29/85 Old Total Depth 4171

OCT 30 1989
10-30-89
Conservation Division
Wichita, Kansas

Projected Total Depth: casing to 1100'
Formation at Total Depth: UNKNOWN (?)

Water Source for Drilling Operations:
... well farm pond ... other

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

DWR Permit #: NA pond less than 15 acre feet
Will Cores Be Taken?: ... yes no X

If yes, proposed zone: _____

AFFIDAVIT

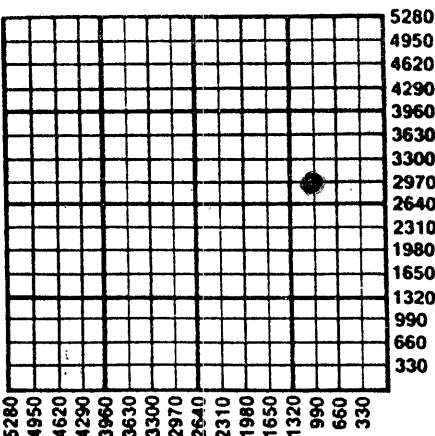
The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.

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: 10/26/89.... Signature of Operator or Agent: Paul Priatelj Title... geologist



FOR KCC USE: 15-089-20002-00-02

API # 15-089-20002-B

Conductor pipe required NONE feet

Minimum surface pipe required 306 feet per Alt. X

Approved by: DPW 11-02-89

EFFECTIVE DATE: 11-07-89

This authorization expires: 5-02-90

(This authorization void if drilling not started within 6 months of effective date.)

Spud date: _____ Agent: _____

21
2
7W

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.