FOR KCC USE:

EFFECTIVE DATE: 6-1-98

DISTRICT #: 4

State of Kansas

NOTICE OF INTENTION TO DRILL

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

Spot Approx. W/2

Expected Spud Date: June 1998

day 07

month

year

OPERATOR: License #: 31956

Name: Dark Horse Oil Company

Address: 12543 North Hwy 83 - Suite 228

City/State/Zip: Parker, CO 80134-8800

Contact Person: Douglas L. Frickey

Phone: 800-876-4482

CONTRACTOR: License #: 30606

Name: Nugfin Drilling Company

Well Drilled For: 

Well Class: 

Type Equipment: 

- X. Oil
- Enh Rec
- Infield
- X Mud Rotary
- Gas
- Storage
- Pool Ext.
- Air Rotary
- OAMO
- Disposal
- X Wildcat
- Cable
- Seismic;
- # of Holes
- Other
- Other

If OAMO: old well information as follows:

Operator: 

Well Name: 

Comp. Date: Old Total Depth

Directional, Deviated or Horizontal wellbore? yes / 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: 5/26/98 Signature of Operator or Agent: President

FOR KCC USE:

API #: 15-

Conductor pipe required NONE feet

Minimum surface pipe required 250 feet per Alt. X2

Approved by: W 5-27-98

This authorization expires: 11-27-98

(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 plot 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: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202.
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-__________________________ LOCATION OF WELL: COUNTY_____________________
OPERATOR ________________________________ feet from south/north line of section
LEASE ____________________________________ feet from east/west line of section
WELL NUMBER _________________________________ SECTION ____ TWP_______ RG_____
FIELD ____________________________________

NUMBER OF ACRES ATTRIBUTABLE TO WELL ____ QTR/QTR/QTR OF ACREAGE ____ - ____ - ____

IS SECTION ____ 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.)

T-2-S

R-27-W

EXAMPLE

SEWARD CO.

DECATURE COUNTY KANSAS

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