NOTICE OF INTENTION TO DRILL

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

Effective Date: 10-23-96
District # 4
Map: Yes No

Expected Spud Date: 10-27-96

Operator: License #: 4197
Name: Dunne Oil Co
Address: 100 S. Main #410
City/State/Zip: Wichita, KS 67202
Contact Person: Steve Dunne
Phone: (316) 267-3448

Contractor: License #: 4197
Name: Unknown

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

State of Kansas

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 I Completion, production pipe shall be cemented from below any usable water to surface within 120 days of spudd 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: 10/14/96
Signature of Operator or Agent: __________________________ Title: __________________________

For KCC Use:
API # 15-065-327770000
Conductor pipe required: N/A
Minimum surface pipe required: 240 feet per Alt. X

Approved by: __________________________
This authorization expires: 4-18-97
(If drilling not started within 6 months of effective date.)

Remember to:
- File Drill Pit Application (Form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spudd 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 Fee Road, Room 480, Wichita, Kansas 67202-9078.
130 S. Main, Room 2078.
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 ___________________________
LEASE _______________________________
WELL NUMBER _______________________
FIELD _______________________________

LOCATION OF WELL: COUNTY____________________________
feet from south/north line of section
feet from east/west line of section
SECTION____ TWPL______ RG_____

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

(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)

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EXAMPLE

ACRES

SEWARD CO.

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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.
FORM C-1 7/91

FOR KCC USE:

Effective Date: 10-23-96

District #: 4

SGA#: Yes / No

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

State of Kansas

Notice of Intention to Drill

All Blanks Must Be Filled

Operator: License #: 41.97
Name: Dunne Oil Co.
Address: 100 S. Main, Suite 410
City/State/Zip: Wichita, KS 67202
Contact Person: Stephen Dunne
Phone: 316-267-3448

Contractor: License #: 30606
Name: Kaffin Drilling Co., Inc.

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

If OMMO: 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:

X Spot was: C NE 39-40-061 1320 NE
Spot is: 180 NE NE 1320 FNL 1140 NE

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.

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 3/10/96

Signature of Operator or Agent: ...

Title: 

For KCC Use:

APR #15-065-287770000
Conductor pipe required NONE feet
Minimum surface pipe required 450 feet per Alt. X2
Approved by: R.J. Miller/10-18-96

This authorization expires: 4/18/97
(This authorization valid if drilling not started within 6 months of effective date.)

Spud date: Agent: 

Remember to:

- File Drill Pit Application (form CD-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 (CD-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 INTENTED 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 ____________________________
LEASE ________________________________
WELL NUMBER: ________________________
FIELD ________________________________

LOCATION OF WELL:
COUNTY ________________________________
feet from south/north line of section
feet from east/west line of section
SECTION____ TWP_______ RG________

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.)

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.