EFFECTIVE DATE: 5/10/90

STATE OF KANSAS

FORM C-1 12/88

FORM MUST BE TYPED

NOTICE OF INTENTION TO DRILL

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

Expected Spud Date: April 16, 1990

OPERATOR: License #: 03581

Name: Red Oak Energy, Inc.

Address: 111 W. Douglas, Ste 307

City/State/Zip: Wichita, KS 67202

Contact Person: Kevin C. Davis

Phone: 265-8025

CONTRACTOR: License #: 6033

Name: Murfin Drilling Co.

Well Drilled For: X Oil

Well Class: Infield X Mud Rotary

Type Equipment: X. Gas Storage... Pool Ext. Air Rotary

X. Disposal X. Wildcat X. Cable

Seismic... # of Holes

If OAWO: old well information as follows:

Operator: 

Well Name: 

Comp. Date: Old Total Depth

Directional, Deviated or Horizontal wellbore? ... yes X. no

If yes, total depth 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. 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: 1/30/90 Signature of Operator or Agent: J. Davis Title: President

FOR KCC USE:

API # 15-065-229570000

Conductor pipe required: None feet

Minimum surface pipe required 200 feet per Alt. X

Approved by: GFE 5/19/90

EFFECTIVE DATE: 5/10/90

This authorization expires: 11/1/90

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

Spud date: Agent:

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