FOR KCC USE:

EFFECTIVE DATE: 5-13-97

STATE OF KANSAS
NOTICE OF INTENTION TO DRILL

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

Expected Spud Date: May 13, 1997

OPERATOR: License #: 9960
Name: Castle Resources, Inc.
Address: 1200 East 27th Street, Suite C
City/State/Zip: Mays, Kansas 67601
Contact Person: Jerry Green
Phone: (913) 625-5155

CONTRACTOR: License #: 9431
Name: Vonfeldt Drilling, Inc.

Well Drilled For: X., Oil... Enl Rec... Infield... X. Mud Rotary
... Gas... Storage... Pool Ext... Air Rotary
... OW/O... Dispposal... X. Wildcat... Cable
... Seismic;... # of Holes... Other

If OW/O: 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:...

...3000 feet from South / North line of Section...
...2000 feet from East / West line of Section
IS SECTION... X... REGULAR... IRREGULAR?
(Note: Locate well on the Section Plat on Reverse Side)
County: Osborne
Lease Name: .Schweitzer... Well #: 1...
Field Name:...
Is this a Prorated/Spaced Field?... yes... X... no
Target Formation(s):... Simpson Sand...
Nearest lease or unit boundary:...
Ground Surface Elevation: 1647 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:...
Depth to bottom of usable water:...
Surface Pipe by Alternate:... 1... X... 2
Length of Surface Pipe Planned to be set:...
Length of Conductor pipe required:...
n/a...
Projected Total Depth:...
Formation at Total Depth:...
Water Source for Drilling Operations:...

Will Cores Be Taken?... yes... X... no
If yes, proposed zone:

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will be in accordance with all Kansas laws and rules et. seq.

It is hereby stated 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: 5/8/97
Signature of Operator or Agent: Donna Wanda
Title:... 
Agent:...

FOR KCC USE:
API # 15-20337-0000
Conductor pipe required...
Minimum surface pipe required...
Approved by: WICHITA KS

This authorization expires: 11-8-97
(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 ACD-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: 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-__
OPERATOR Castle Resources, Inc.
LEASE Schweitzer
WELL NUMBER 1
FIELD

LOCATION OF WELL: COUNTY Osborne

2300 feet from south/north line of section
2300 feet from east/west line of section
SECTION_27_TWP_88_RG_12W

NUMBER OF ACRES ATTRIBUTABLE TO WELL 2.5
QTR/QTR/QTR OF ACREAGE SE NW NW 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.)

EXAMPLE

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 2 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.