EFFECTIVE DATE: 3-29-99

FOR KC USE:

STATE OF KANSAS
NOTICE OF INTENTION TO DRILL

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

ALL BLANKS MUST BE FILLED

OPERATOR: Lincums O. 32154
Operator Name: Sagebrush Petroleum, LLC
Address: 1288 Sherman, Suite 510
City/State/Zip: Denver, CO 80206
Contact Person: Bob Johnson, John Rose
Phone: (303) 866-0411

CONTRACTOR: License #: 5920
Name: Duke Drilling

 well Drilled For: Oil
 Well Class: Type Equipment: X Oil Drilled
X Gas Drilled
X Water Drilled

Comp Date: 26-29-99
Old Total Depth: 0

Directional, Deviated or Horizontal wellbore? X no
If yes, true vertical depth: 0
Bottom Hole Location: X

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 uncemented 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 plugging and cementing is necessary prior to plugging and cementing;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented;
6. If an alternate 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 cementing.

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

Date: 3-24-99...Signature of Operator or Agent: Robert D. Johnson, Vice President

FOR KC USE:

RECEIVED
KANSAS CORPORATION COMMISSION
MAR 2 1999
CONSERVATION DIVISION
WICHITA, KS
3-24-99
16W

REMEMBER TO:
- File Drill Pit Application (form CO-1) with Intent to Drill;
- File Completion Form CO-1 within 120 days of spud date;
- File a reccentric plot file according to field requirements;
- Also appropriate district office 48 hours prior to spudding or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing of injecting salt water.

KSCI l KC - Conservation Division, 135 E. Market - Room 2078, Wichita, Kansas 67202.
IN ALL CASES FILL THE INTENDED WELL ON THE PLAT BELOW

PLAT OF ACRES ATTRIBUTABLE TO A WELL IN A PROLATED OR SPACED FIELD

If the intended well is in a prolated or spaced field, please fully complete this side of the form. If the intended well is in a prolated 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 ________________________________ LOCATION OF WELL: COUNTY _______________________  
LEASE ________________________________ feet from south/north line of section  
WELL NUMBER ________________________________ feet from east/west line of section  
FIELD ________________________________ SECTION TXP ________ R  
NUMBER OF ACRES ATTRIBUTABLE TO WELL ___________ IS SECTION ______ REGULAR OR ______ IRREGULAR  
OTR/OTR/OTR OF ACREAGE ___________ 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 prolated or spaced wells.)  
(Show footage to the nearest lease or unit boundary line.)

1) The manner in which you are using the depicted plat by identifying section lines, i.e.  
1 section, 1 section with 6 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.