

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

Expected Spud Date September 22 1989
month day year

C. SE. NE. Sec. 21 Twp. 1 S, Rg. 32 East West

OPERATOR: License # 3602
Name: Philpott Oil & Gas Co., Inc.
Address: 408 Main, P.O. Box 450
City/State/Zip: Atwood, Kansas 67730
Contact Person: Roger W. Philpott
Phone: (913) 626-3011

3300 feet from South line of Section
660 feet from East line of Section
(Note: Locate well on Section Plat Below)

CONTRACTOR: License #: 8682
Name: Golden Eagle Drilling, Inc.

County: Rawlins
Lease Name: Reuber Well #: 1-0821
Field Name: Wilhelm East

Well Drilled For: Well Class: Type Equipment:
 Oil ... Inj ... Infield Mud Rotary
... Gas ... Storage Pool Ext. ... Air Rotary
... OWWO ... Disposal ... Wildcat ... Cable
... Seismic; ... # of Holes

* Is this a Prorated Field? yes ... no
Target Formation(s): Lansing-Kansas City
Nearest lease or unit boundary: 660 ft
Ground Surface Elevation: 2956 feet MSL
Domestic well within 330 feet: ... yes no
Municipal well within one mile: ... yes no
Depth to bottom of fresh water: 185
Depth to bottom of usable water: 200
Surface Pipe by Alternate: 1 X 1 ... 2
Length of Surface Pipe Planned to be set: 300 ft
Length of Conductor pipe required: _____
Projected Total Depth: 4200
Formation at Total Depth: Base Lansing-Kansas City
Water Source for Drilling Operations:
 well ... farm pond ... other
DWR Permit #: Apply for Permit!
Will Cores Be Taken?: ... yes no
If yes, proposed zone: _____

If OWWO: old well information as follows:
Operator: _____
Well Name: _____
Comp. Date: _____ Old Total Depth _____

Directional, Deviated or Horizontal wellbore? ... yes no
If yes, total depth location: _____
* Prorated: WILHELM-LKC

AFFIDAVIT

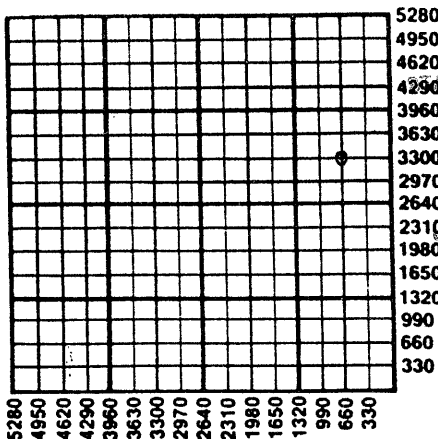
The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.

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: 10/20/89 Signature of Operator or Agent: [Signature] Title: Pres.



RECEIVED
STATE CORPORATION COMMISSION
SEP 21 1989
RECEIVED
STATE CORPORATION COMMISSION
SEP 25 1989
9-25-1989
CONSERVATION DIVISION
Wichita, Kansas

FOR KCC USE:

API # 15- 153-20,740-00-00 0/1-29-90

Conductor pipe required NONE feet

Minimum surface pipe required 250 feet per Alt. X

Approved by: DPW 9-28-89

EFFECTIVE DATE: 10-03-89

This authorization expires: 3-28-90

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

Spud date: _____ Agent: _____

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STATE CORPORATION COMMISSION

REMEMBER TO:

- File acreage attribution plat Application (form CDP-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 of the well;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.