

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

Expected Spud Date 03 31 89
month day year

NE NW Sec 31 Twp 1S Rg 33W
East West

OPERATOR: License # 03750
Name: Turnpike Oil Company
Address: 5810 W. 38th Ave., #12
City/State/Zip: Denver, CO 80212
Contact Person: Curley Grimlie
Phone: 303-431-4842

4620 feet from South line of Section
3300 feet from East line of Section
(Note: Locate well on Section Plat Below)

CONTRACTOR: License #: 6033
Name: Murfin Drilling Company

County: Rawlins
Lease Name: Walters Well #: 3-31
Field Name: _____
Is this a Prorated Field? yes no
Target Formation(s): _____ LKC
Nearest lease or unit boundary: 660
Ground Surface Elevation: _____ feet MSL
Domestic well within 330 feet: yes no
Municipal well within one mile: yes no
Depth to bottom of fresh water: _____ 150
Depth to bottom of usable water: _____ 200
Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: _____ 300'
Length of Conductor pipe required: _____ N/A
Projected Total Depth: _____ 4300
Formation at Total Depth: _____ BKC
Water Source for Drilling Operations:
... well ... farm pond ... other
DWR Permit #: _____
Will Cores Be Taken?: yes no
If yes, proposed zone: _____

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

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: _____

AFFIDAVIT

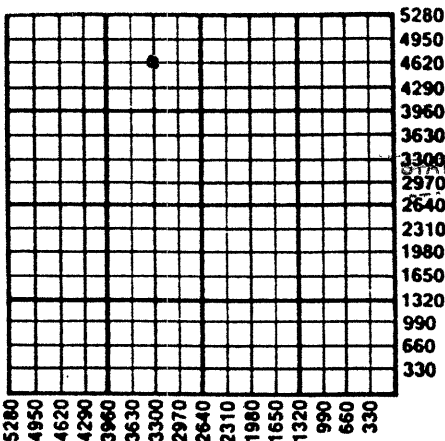
The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.

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: 3-28-89 Signature of Operator or Agent: Jack E. Goss, Agent for Operator Title: Drilling Manager



RECEIVED
CONSERVATION COMMISSION
3-28-89
MAR 28 1989
CONSERVATION DIVISION
Wichita, Kansas

FOR KCC USE:

API # 15- 153-20,733-00-00 ✓ DA

Conductor pipe required NONE feet

Minimum surface pipe required 250' feet per Alt. 1 ✓

Approved by: LRM 3-28-89

EFFECTIVE DATE: 1-1-89

This authorization expires: 9-28-89

(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 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 (CP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.