

CARD MUST BE TYPED

State of Kansas

CARD MUST BE SIGNED

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Expected Spud Date. August 25, 1988
month day year

API Number 15-147-20,508-06-00

OPERATOR: License # 03077

SW/4, NW/4, SW/4 Sec. 1 Twp. 3 S, Rg. 19 X East West

Name J. & P. Oil

1,650' Ft. from South Line of Section

Address Box 128

4,950' Ft. from East Line of Section

City/State/Zip Holyrood, KS 67450

(Note: Locate well on Section Plat on reverse side)

Contact Person Gary Pauley

Nearest lease or unit boundary line 330 feet

Phone (913) 252-3239

County Phillips

CONTRACTOR: License # SAME AS ABOVE

Lease Name Kaiser Well # 3

Name

Ground surface elevation 2002 feet MSL

City/State

Domestic well within 330 feet: yes X no

Well Drilled For: Well Class: Type Equipment:

Municipal well within one mile: yes X no

X Oil Storage X Infield X Mud Rotary

Depth to bottom of fresh water 100'

Gas Inj Pool Ext. Air Rotary

Depth to bottom of usable water 1100' 1150'

OWWO Expl Wildcat Cable

Surface pipe by Alternate: 1 2 X

If OWWO: old well info as follows:

Surface pipe planned to be set 200'

Operator

Conductor pipe required

Well Name

Projected Total Depth 3,550 feet

Comp Date

Formation Lansing/Kansas City

I certify that well will comply with K.S.A. 55-101, et seq., plus eventually plugging hole to KCC specifications.

Date 8-18-88 Signature of Operator or Agent Gary Pauley Title owner

For KCC Use:

Conductor Pipe Required

This Authorization Expires 2-29-89 feet; Minimum Surface Pipe Required 200' feet per Alt. X (2)

Approved By LKM 8-29-88

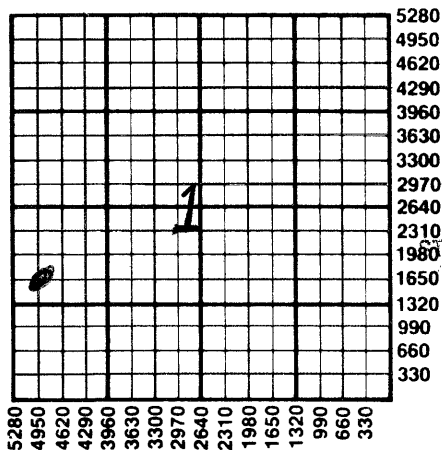
EFFECTIVE DATE: 9-3-88

Must be filed with the K.C.C. five (5) days prior to commencing well
 This card void if drilling not started within six (6) months of date received by K.C.C.

Important procedures to follow:

1. Notify District office before setting surface casing.
2. Set surface casing by circulating cement to the top.
3. File completion forms ACO-1 with K.C.C. within 120 days of well spud date, following instructions on ACO-1, side 1, and including copies of wireline logs.
4. Notify District office 48 hours prior to old well workover or re-entry.
5. Prior to filing Intent, prepare a proposed plugging plan in case well is D & A, then obtain approval of plan when calling district office prior to setting surface pipe.
6. Submit plugging report (CP-4) to K.C.C. after plugging is completed.
7. Obtain an approved injection docket number before disposing of salt water.
8. Notify K.C.C. within 10 days when injection commences or terminates.
9. If an alternate 2 completion, cement in the production pipe from below any usable water to surface within 120 days of spud date.

A Regular Section of Land
1 Mile = 5,280 Ft.



RECEIVED
 STATE CORPORATION COMMISSION

AUG 22 1988

CONSERVATION DIVISION
 Wichita, Kansas

8-22-88

State Corporation Commission of Kansas
 Conservation Division
 200 Colorado Derby Building
 Wichita, Kansas 67202-1212
 (316) 263-3238