

EFFECTIVE DATE: 9-8-96

State of Kansas

FORM MUST BE TYPED

DISTRICT # 4

NOTICE OF INTENTION TO DRILL

FORM MUST BE SIGNED

SGA? Yes No

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

ALL BLANKS MUST BE FILLED

Expected Spud Date 9 month 10 day 96 year APP. SW NE Sec 22 Twp 3 S, Rg 16 X East West

OPERATOR: License # 30076
Name: A. & A. PRODUCTION
Address: PO BOX 100
City/State/Zip: HILL CITY KS 67642-0100
Contact Person: ANDY ANDERSON
Phone: 913-674-2234

1720 feet from SW (North) line of Section
2260 feet from East West line of Section
IS SECTION XX REGULAR IRREGULAR?

(NOTE: Locate well on the Section Plat on Reverse Side)
County: PHILLIPS
Lease Name: MILLER FARMS Well #: A-1
Field Name: MILLER FARMS

* CONTRACTOR: License #: Undecided
Name: ADVISE ON ACO-1 FORM

Is this a Prorated/Spaced Field? yes XX no
Target Formation(s): ARBUCKLE

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

Nearest lease or unit boundary: 330 ft
Ground Surface Elevation: 1882 feet MSL
Water well within one-quarter mile: yes XX no

Public water supply well within one mile: yes XX no
Depth to bottom of fresh water: 40 ft 180
Depth to bottom of usable water: 40 ft 880 BASE OF DAKOTA
* Surface Pipe by Alternate: XX 1 X 2

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

Length of Surface Pipe Planned to be set: 200 ft
Length of Conductor pipe required: 20 NONE
Projected Total Depth: 3700 ft

Formation at Total Depth: ARBUCKLE
Water Source for Drilling Operations:
... well XX farm pond ... other

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

Will Cores Be Taken?: yes XX no
If yes, proposed zone: _____

* ALT 1 WOULD REQUIRE 900' OF SURFACE CASING.

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 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: 8-30-96 Signature of Operator or Agent: Andy Anderson Title: Owner

FOR KCC USE:
 API # 15- 147-705710000
 Conductor pipe required NONE feet
 Minimum surface pipe required 200' feet per Alt. *(2)
 Approved by: JK 9-3-96
 This authorization expires: 3-3-97
 (This authorization void if drilling not started within 6 months of effective date.)
 Spud date: _____ Agent: _____

RECEIVED
 KANSAS CORPORATION COMMISSION
 SEP 03 1996
9-03-1996
 CONSERVATION DIVISION
 WICHITA, KS

- 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.

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 A & A PRODUCTION
 LEASE MILLER FARMS
 WELL NUMBER A-1
 FIELD MILLER FARMS

LOCATION OF WELL: COUNTY PHILLIPS
1720 feet from ~~south~~/north line of section
2260 feet from east/~~west~~ line of section
 SECTION 22 TWP 3 RG 16

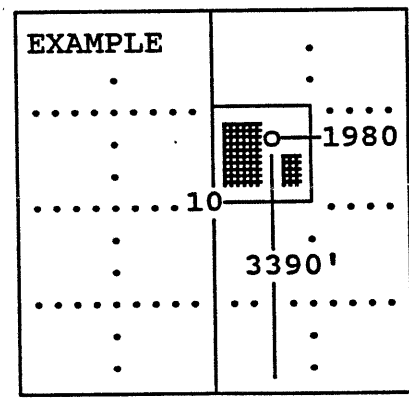
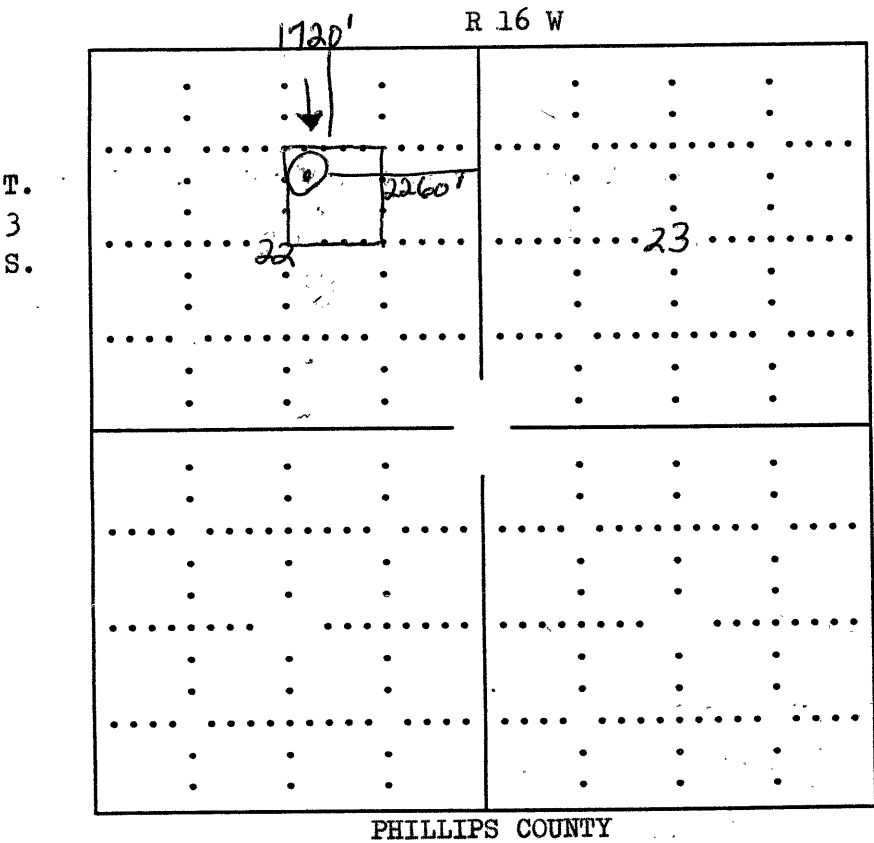
NUMBER OF ACRES ATTRIBUTABLE TO WELL 10
 QTR/QTR/QTR OF ACREAGE NW - SW - NE

IS SECTION XX 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.)



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 8 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.