

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 18, 1987.....
month day year

API Number 15— 039-20,820-00-00 ✓

OPERATOR: License #..... 5255.....
Name McGinness Oil Company.....
Address 1026 Union Center Building.....
City/State/Zip Wichita, Kansas 67202.....
Contact Person Doug McGinness.....
Phone (316) 267-6065.....

_____ East
.NW .NW .SE Sec..1.1. Twp..3... S, Rg..27... X West
..... 23.10..... Ft. from South Line of Section
..... 23.10..... Ft. from East Line of Section

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

CONTRACTOR: License #..... 4083.....
Name Western Kansas Drilling, Inc.....
City/State Hays, Kansas.....

Nearest lease or unit boundary line 330..... feet
County..... Decatur.....
Lease Name..... Bailey..... Well #..... 1-11.....
Ground surface elevation N/A..... feet MSL

Well Drilled For: Well Class: Type Equipment:
X Oil _____ Storage _____ Infield X Mud Rotary
_____ Gas _____ Inj _____ Pool Ext. _____ Air Rotary
_____ OWWO _____ Expl X Wildcat _____ Cable

Domestic well within 330 feet: _____ yes X no
Municipal well within one mile: _____ yes X no
Depth to bottom of fresh water..... 200'.....
Depth to bottom of usable water 1550'.....
Surface pipe by Alternate: _____ 1 _____ 2 X
Surface pipe planned to be set 250'.....
Conductor pipe required None.....
Projected Total Depth 3900'..... feet
Formation..... Tight Hole.....

If OWWO: old well info as follows:

Operator
Well Name
Comp Date Old Total Depth.....

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

Date 08/11/87..... Signature of Operator or Agent Doug McGinness Title... President.....

For KCC Use:

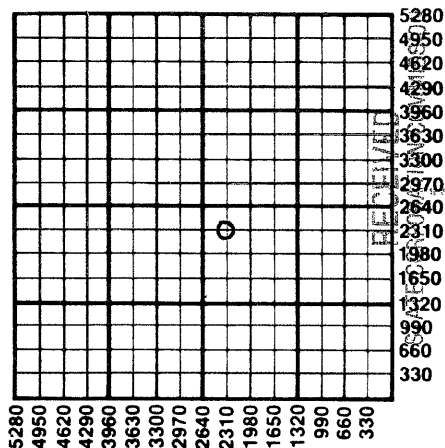
Conductor Pipe Required feet; Minimum Surface Pipe Required 250' feet per Alt. Y0
This Authorization Expires 2-11-88..... Approved By RA 8-11-87.....

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
 AUG 11 1987
 8-11-87
 CONSERVATION DIVISION
 Wichita, Kansas

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