

CARD MUST BE TYPED

State of Kansas
NOTICE OF INTENTION TO DRILL
(see rules on reverse side)

CARD MUST BE SIGNED

Starting Date: 5 24 85
month day year

API Number 15- 023-20,234-00-00

OPERATOR: License # 8762
Name Magnus Oil & Gas
Address 1002 Fourth Street
City/State/Zip Arapahoe, NE 68922
Contact Person Roger Magnus
Phone 308-962-7996

SW/4 NE/4 Sec 12 Twp 3 S, Rge 37
(location)
3300 Ft North from Southeast Corner of Section
1980 Ft West from Southeast Corner of Section
(Note: Locate well on Section Plat on reverse side)

CONTRACTOR: License # 8682
Name Golden Eagle Drilling Inc.
City/State McCook, NE 69001

Nearest lease or unit boundary line 660 feet.
County Cheyenne
Lease Name Roesener Well# 1

Domestic well within 330 feet: yes no
Municipal well within one mile: yes no

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

Depth to Bottom of fresh water 300 feet
Lowest usable water formation Ogallala
Depth to Bottom of usable water 325 350 feet
Surface pipe by Alternate: 1 2
Surface pipe to be set 325 350 feet
Conductor pipe if any required
Ground surface elevation 3295 feet MSL
This Authorization Expires 11-20-85
Approved By 5-20-85 [Signature]

If OWWO: old well info as follows:

Operator
Well Name
Comp Date Old Total Depth
Projected Total Depth 4750 feet
Projected Formation at TD Cherokee
Expected Producing Formations L-KC, Cherokee, Scott

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

Date 5-17-85 Signature of Operator or Agent [Signature] Title agent

Form C-1 4/84

MHC/KOHE 5-20-85

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.

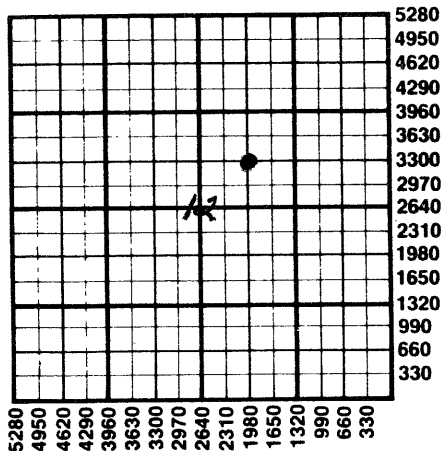
RECEIVED
STATE CORPORATION COMMISSION

MAY 20 1985
5-20-85
CONSERVATION DIVISION
Wichita, Kansas

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 90 days of well completion, 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 plugging, prepare a plugging plan, then obtain agreement from the appropriate district office for an approved plugging plan.
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.



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