

EFFECTIVE DATE: 8-24-97

State of Kansas

FORM MUST BE SIGNED

DISTRICT # 4

NOTICE OF INTENTION TO DRILL

ALL BLANKS MUST BE FILLED

SGA? Yes No

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

Expected Spud Date 8-29-97

* Spot 205' SW OF SE SE NW Sec 20 Twp 4S S, Rg 18 East West

Expected Spud Date month day year

OPERATOR: License # 5242
Name: PETROLEUM MANAGEMENT, INC.

* 2450' feet from South (North) line of Section 2160 feet from East (West) line of Section IS SECTION X REGULAR IRREGULAR?

Address: 14201 E. CENTRAL
City/State/Zip: WICHITA, KS 67230
Contact Person: R.D. REBER
Phone: 316-733-5600

(NOTE: Locate well on the Section Plat on Reverse Side)
County: PHILLIPS
Lease Name: STONEMAN Well #: 12
Field Name: STONEMAN

CONTRACTOR: License # 30606
Name: MURFIN DRILLING CO.

Is this a Prorated/Spaced Field? yes no
Target Formation(s): LANSING-KANSAS CITY
*Nearest lease or unit boundary: 1130' WAS: 1250'

Well Drilled For: Well Class: Type Equipment:
 Oil Enh Rec Infield Mud Rotary
 Gas Storage Pool Ext. Air Rotary
 OWWO Disposal Wildcat Cable
 Seismic; # of Holes Other
If OWWO: old well information as follows:
Operator: _____
Well Name: _____
Comp. Date: _____ Old Total Depth _____

*Ground Surface Elevation: 1895' WAS: 1880' feet MSL
Water well within one-quarter mile: yes no
Public water supply well within one mile: yes no
Depth to bottom of fresh water: 60' WAS: 180'
Depth to bottom of usable water: 740' WAS: 780'
Surface Pipe by Alternate: 1 WAS: 200'
Length of Surface Pipe Planned to be set: _____
Length of Conductor pipe required: 0
Projected Total Depth: 3350'
Formation at Total Depth: ARBUCKLE
Water Source for Drilling Operations:
... well farm pond other

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

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

AFFIDAVIT

* SPOT WAS: 300' SW OF SE SE NW
SPOT IS: 205' SW OF SE SE NW

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: * WAS: 2570' FNL IS: 2450' FNL

- 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: 8-18-97 Signature of Operator or Agent: Sony Freed Title: Consulting Engineer

MAILED

AUG 19 1997

CONSERVATION DIVISION
Wichita, Kansas

FOR KCC USE:
API # 15- 147-20581-0000
Conductor pipe required 1000 feet
Minimum surface pipe required 200 feet per Alt. X(2)
Approved by: DPW 8-19-97 / COR 9-4-97 JK
This authorization expires: 2-19-98
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

RECEIVED
KANSAS CORPORATION COMMISSION

AUG 19 1997
08-19-1997
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.

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202.

20
04
1800

Petroleum Management, Inc

STONEMAN LEASE

STONEMAN #12

S/2 N/2 & N/2 S/2

2450' FNL 2160' FWL

SECTION 20

SECTION 20

Township 04S, Range 18W, County Phillips, State KS

G.L. Elevation 1895'

1" = 660'

