

CARD MUST BE TYPED

State of Kansas

CARD MUST BE SIGNED

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Expected Spud Date..... MARCH 18 1988
month day year

API Number 15-147-20,505-00-00 ✓

OPERATOR: License # 5923
Name AMERICAN PETROLEUM COMPANY, INC.
Address 3500 NORTH ROCK ROAD, BLDG. 1300
City/State/Zip WICHITA, KANSAS 67226
Contact Person JAMES T. BARVAIS
Phone (316) 636-5273

75' N. E/2 E/2 NE Sec. 16... Twp. 4. S, Rg. 19.. XX West
4035
330
Ft. from South Line of Section
Ft. from East Line of Section

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

CONTRACTOR: License # 8241
Name EMPHASIS OIL OPERATIONS
City/State RUSSELL, KANSAS 67665

Nearest lease or unit boundary line 330..... feet
County PHILLIPS
Lease Name MORGAN Well # 1
Ground surface elevation 2074..... feet MSL
Domestic well within 330 feet: _____yes no
Municipal well within one mile: _____yes no
Depth to bottom of fresh water 80'
Depth to bottom of usable water 900' (DAKOTA)
Surface pipe by Alternate: _____ 1 _____ 2
Surface pipe planned to be set 210'
Conductor pipe required NONE
Projected Total Depth 3460..... feet
Formation LKC

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

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 3-07-88 Signature of Operator or Agent *J. Barvais* Title PRESIDENT

For KCC Use:

Conductor Pipe Required feet; Minimum Surface Pipe Required 200... feet per Alt. 2
This Authorization Expires 9-7-88 Approved By *R.H. 3-7-88*

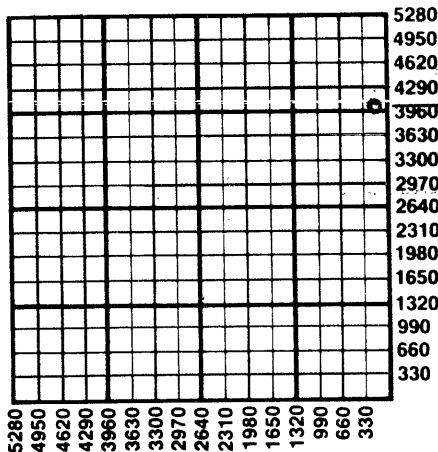
EFFECTIVE DATE: 3-13-88

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. File with K.C.C. within 10 days when injection commences or terminates. 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

MAR 7 1988
 CONSERVATION DIVISION
 Wichita

03-07-1988

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