

CARD MUST BE TYPED

State of Kansas

CARD MUST BE SIGNED ✓

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Starting Date May 14, 1987
month day year

API Number 15— 065-22,374-00-00 — East

OPERATOR: License # 5242
Name Petroleum Management, Inc.
Address 400 N. Woodlawn, Suite 201
City/State/Zip Wichita, KS 67208
Contact Person Dale Silcott
Phone 686-7287

SE. SW. SE Sec. 11 Twp. 6 S, Rg. 21 West
330 Ft. from South Line of Section
1650 Ft. from East Line of Section

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

CONTRACTOR: License # 5302
Name Red Tiger Drilling Co.
City/State Wichita, KS

Nearest lease or unit boundary line 330 feet
County Graham
Lease Name Holmquist-Lagerberg Well # 3

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

Ground surface elevation 2100 feet MSL
Domestic well within 330 feet: yes no
Municipal well within one mile: yes no
Surface pipe by Alternate: 1 2
Depth to bottom of fresh water 25 ft. 80
Depth to bottom of usable water 1100 ft.
Surface pipe planned to be set 250 ft.
Projected Total Depth 3900 feet
Formation Granite

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.

 cementing will be done immediately upon setting/production casing.
Date 5/6/87 Signature of Operator or Agent Dale Silcott Title Vice President

For KCC Use:

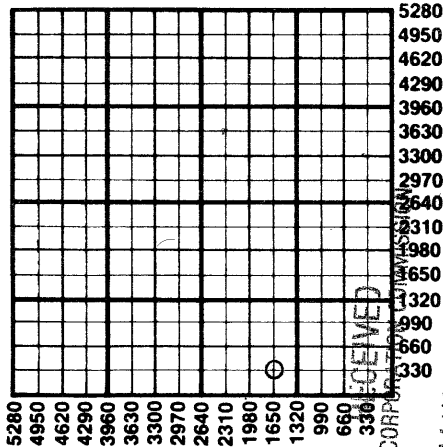
Conductor Pipe Required feet; Minimum Surface Pipe Required 150 feet per Alt. 40
This Authorization Expires 11-11-87 Approved By 5-11-87

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 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 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.



STATE CORPORATION COMMISSION

RECEIVED

MAY 11 1987

CONSERVATION DIVISION
Wichita, Kansas

5-11-87

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