

EFFECTIVE DATE: 5/15/90 State of Kansas

NOTICE OF INTENTION TO DRILL
Must be approved by the K.C.C. five (5) days prior to commencing well

Expected Spud Date June 8, 1990
month day year

W/2 SE NW SE Sec 13 Twp 7 S, Rg 21 X East West

OPERATOR: License # 5266
Name: K & E Drilling, Inc.
Address: 100 S. Main, Suite 300
City/State/Zip: Wichita, KS 67202
Contact Person: Wayne L. Brinegar
Phone: (316) 264-4301

1,650 feet from South line of Section
1,815 feet from East line of Section
(Note: Locate well on Section Plat on Reverse Side)

CONTRACTOR: License #: 5422
Name: Abercrombie Drilling, Inc.

County: Graham
Lease Name: Hamel Well #: 3
Field Name: Lesage SW

Well Drilled For: Well Class: Type Equipment:
X Oil ... Inj ... Infield X Mud Rotary
... Gas ... Storage X Pool Ext. ... Air Rotary
... OWWO ... Disposal ... Wildcat ... Cable
... Seismic; ... # of Holes

Is this a Prorated Field? ... yes X no
Target Formation(s): Lansing/KC
Nearest lease or unit boundary: 825'
Ground Surface Elevation: ±2,090' feet MSL
Domestic well within 330 feet: ... yes X no
Municipal well within one mile: ... yes X no
Depth to bottom of fresh water: 200' 75'
Depth to bottom of usable water: 1,100' 1,150'
Surface Pipe by Alternate: ... 1 X 2

If OWWO: old well information as follows:
Operator: _____
Well Name: _____
Comp. Date: _____ Old Total Depth _____

* Length of Surface Pipe Planned to be set: 205'
* Length of Conductor pipe required: none
Projected Total Depth: 3,600'
Formation at Total Depth: Arbuckle
Water Source for Drilling Operations:
... well X farm pond ... other
DWR Permit #: will file
Will Cores Be Taken?: ... yes X no

Directional, Deviated or Horizontal wellbore? ... yes X no
If yes, total depth location: _____
** if location is less than 2000' elevation see special rules in regulations*

AFFIDAVIT

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:

1. The appropriate district office shall be notified before setting surface pipe;
2. The minimum amount of surface pipe as specified above 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;
3. If the well is dry, a plugging proposal shall be submitted to the district office. An agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
4. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
5. 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: 05-07-90 Signature of Operator or Agent: Wayne L. Brinegar Title: Vice President

FOR KCC USE:

API # 15- 065-22,574-00-00

Conductor pipe required NONE feet

Minimum surface pipe required 200 feet per Alt. X(2)

Approved by: BGF 5/10/90

EFFECTIVE DATE: 5/15/90

This authorization expires: 11/10/90

(This authorization void if drilling not started within 6 months of effective date.)

Spud date: _____ Agent: _____

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.

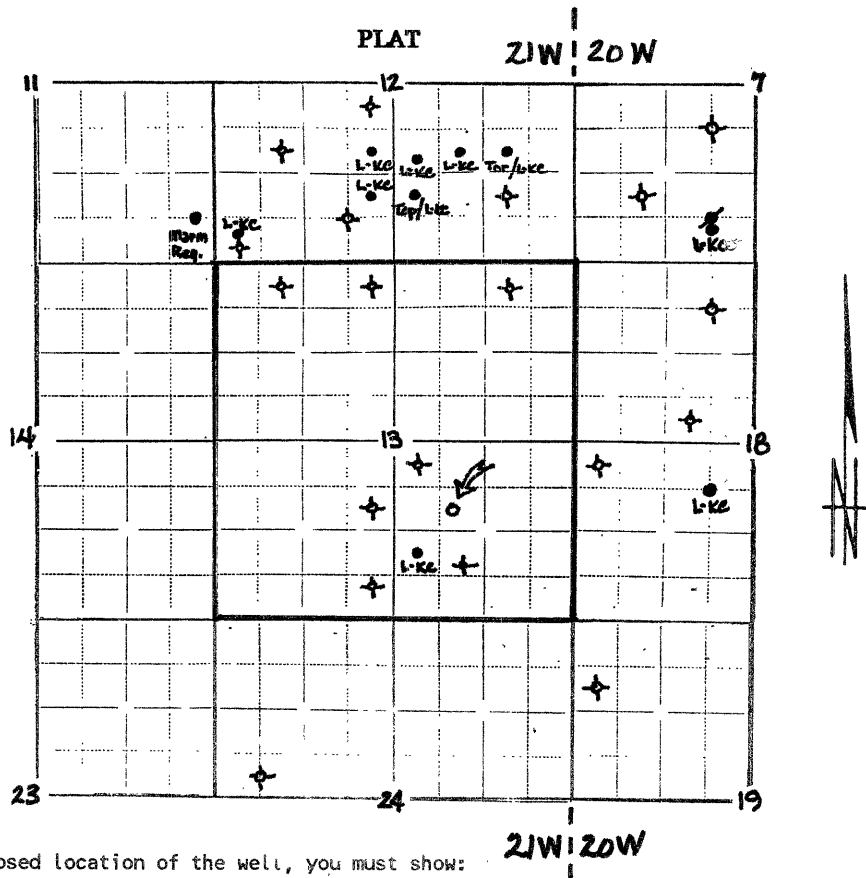
STATE OF KANSAS
MAY 08 1990
5/8/90
Conservation Division
Wichita, Kansas

PLAT OF ACREAGE ATTRIBUTABLE TO A WELL

State Corporation Commission, Conservation Division
 200 Colorado Derby Bldg. Wichita, Kansas 67202

OPERATOR K & E Drilling, Inc. LOCATION OF WELL: W/2 SE NW SE Sec. 13-7S-21W
 LEASE Hamel 1,650 feet north of SE corner
 WELL NUMBER 3 1,815 feet west of SE corner
 FIELD Lesage SW SE Sec. 13 T 7 R 21 X/W
 COUNTY Graham
 NO. OF ACRES ATTRIBUTABLE TO WELL 10 IS SECTION X REGULAR IRREGULAR?
 DESCRIPTION OF ACREAGE SE/4 Section 13 IF IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.

NOTE: If plat depicted is insufficient for your circumstances, you may attach your own scaled or surveyed plat.



- In plotting the proposed location of the well, you must show:
- 1) The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding partial sections, 4 sections, 16 sections, etc.;
 - 2) the well's location relative to the location of other wells producing from the same common source of supply in adjoining drilling units, pursuant to K.A.R. 82-3-108, 82-3-207, 82-3-312, or special orders of the Commission;
 - 3) the distance of the proposed drilling location from the section's east and south lines; and
 - 4) the distance to the nearest lease or unit boundary line.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Signature of Operator or Agent Wayne L. Brinegar
 Date 05-07-90 Title Wayne L. Brinegar, Vice President