

CARD MUST BE TYPED

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

CARD MUST BE SIGNED

Starting Date: 9 25 85
month day year

API Number 15- 163-22,765 0000

OPERATOR: License #

NW SE NW East
(location) Sec 3 Twp 7 S, Rge 20 West

Name H&C Oil Operating & Fossil Associates

Address P.O. Box 86

City/State/Zip Plainville, Kansas 67663

Contact Person Charles Ramsay

Phone 913-434-7434

3630 Ft North from Southeast Corner of Section
3630 Ft West from Southeast Corner of Section
(Note: Locate well on Section Plat on reverse side)

CONTRACTOR: License # 8301

Nearest lease or unit boundary line 990 feet.

Name Stoppelworth Drilling Inc.

County Rooks

City/State McCook, Neb.

Lease Name Waller Well# 2

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

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

If OWWO: old well info as follows:

Operator

Well Name

Comp Date Old Total Depth

Projected Total Depth 3700 feet

Projected Formation at TD Arbuckle

Expected Producing Formations Kansas City

Depth to Bottom of fresh water 100 feet

Lowest usable water formation Dakota

Depth to Bottom of usable water 1050 feet

Surface pipe by Alternate: 1 2

Surface pipe to be set 330 feet

Conductor pipe if any required None feet

Ground surface elevation feet MSL

This Authorization Expires 3-13-86

Approved By 9-13-85 *[Signature]*

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

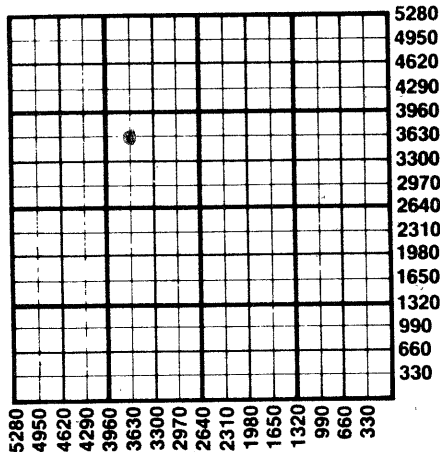
Date 9-11-85 Signature of Operator or Agent

Charles R. Ramsay Title VICE-PRESIDENT

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
 9-13-85
 SEP 13 1985

A Regular Section of Land
 1 Mile = 5,280 Ft.



Important procedures to follow:

CONSERVATION DIVISION
 Wichita, Kansas

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.

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