

FOR ECC USE:

EFFECTIVE DATE: 5-1-96

DISTRICT # 4
SEAT... Yes... No

State of Kansas
NOTICE OF INTENTION TO DRILL

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

FORM 6-1 7/9
FORM MUST BE TYPED
FORM MUST BE STAMPED
ALL SPACES MUST BE FILLED

Expected Spud Date April 26 1996
month day year

Spot SW SE SW Sec 2 Twp 6 S. Rg 33 East West

OPERATOR: License # 3602
Name: Philpott Oil & Gas Co., Inc.
Address: 408 Main, P.O. Box 450
City/State/Zip: Atwood, Ks. 67730
Contact Person: Roger W. Philpott
Phone: (913) 626-3011

330 feet from South line of section
1650 feet from West line of section
IS SECTION X REGULAR IRREGULAR

(NOTE: Locate well on the Section Plat on Reverse Side)

County: Thomas
Lease Name: J. & B. Inc. Well #: 1-1402
Field Name: Unnamed

CONTRACTOR: License #: 30606
Name: Murfin Drilling Co., Inc.

Is this a Propped/Spaced Field? yes X no
Target Formation(s): Mississippian
Nearest lease or unit boundary: 330 ft.
Ground Surface Elevation: 3110 Gr. feet MSL
Water well within one-quarter mile: X yes X no
Public water supply well within one mile: yes X no
Depth to bottom of fresh water: 200 270
Depth to bottom of usable water: 1800 1970
Surface Pipe by Alternate: 1 X 2

Well Drilled For: Well Class: Type Equipment:
X Oil ... Enh Rec ... Infield X Mud Rotary
... Gas ... Storage X Pool Ext. ... Air Rotary
... OWD ... Disposal ... Wildcat ... Cable
... Solanic; ... # of Holes ... Other

* Length of Surface Pipe Planned to be set: 250 ft. 270
Length of Conductor pipe required: None 260
Projected Total Depth: 4650

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

Formation at Total Depth: Mississippian
Water Source for Drilling Operations:
X well ... farm pond ... other

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

DWR Permit #:
Will Cores Be Taken? yes X no
If yes, proposed zone:

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. 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 IS COMPLETED, 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: April 15, 1996 Signature of Operator or Agent: [Signature] Title: Agent President

* MIN. SURFACE CASING FOR ALT II WAS: 270'
* MIN. SURFACE CASING FOR ALT II IS: 260'

FOR ECC USE:
API # IS: 193-206480000
Conductor pipe required NONE feet
Minimum surface pipe required 260 feet per Alt. X (2)
Approved by: KA-26-96
This authorization expires: 10-26-96
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: Agent:

RECEIVED
KANSAS CORPORATION COMMISSION
APR 25 1996
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: Conservation Division, 200 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1286.