

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

Expected Spud Date 07/10/89
month day year

NE SE NW 07 07 20 — East
Sec Twp S, Rg 11 West

OPERATOR: License # 6111
Name: N-B COMPANY, INC.
Address: BOX #506
City/State/Zip: RUSSELL KA 67665
Contact Person: KYLE B. BRANUM
Phone: (913) 483-5345

3630 feet from South line of Section
2970 feet from East line of Section
(Note: Locate well on Section Plat Below)

CONTRACTOR: License #: 8241
Name: EMPHASIS OIL OPERATIONS

County: ROOKS
Lease Name: LOEFFLER Well #: #A-1
Field Name: LESAGE NW
Is this a Prorated Field? yes XX no
Target Formation(s): ARBUCKLE
Nearest lease or unit boundary: 330
Ground Surface Elevation: EST: 1980 2180 feet MSL
Domestic well within 330 feet: yes XX no
Municipal well within one mile: yes XX no
Depth to bottom of fresh water: 400 180
Depth to bottom of usable water: 1100
Surface Pipe by Alternate: 1 XX
Length of Surface Pipe Planned to be set: 200
Length of Conductor pipe required: *****
Projected Total Depth: 3650
Formation at Total Depth: ARBUCKLE
Water Source for Drilling Operations:
... well XX farm pond ... other
DWR Permit #: _____
Will Cores Be Taken?: yes XX no
If yes, proposed zone: _____

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

If OWWO: old well information as follows:

Operator: _____
Well Name: _____
Comp. Date: _____ Old Total Depth _____

Directional, Deviated or Horizontal wellbore? yes XX no
If yes, total depth location: _____

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-10: et. seq.

It is agreed that the following minimum requirements will be met:

- The appropriate district office shall be notified before setting surface pipe;
- 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;
- 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;
- The appropriate district office will be notified before well is either plugged or production casing is cemented in;
- 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.

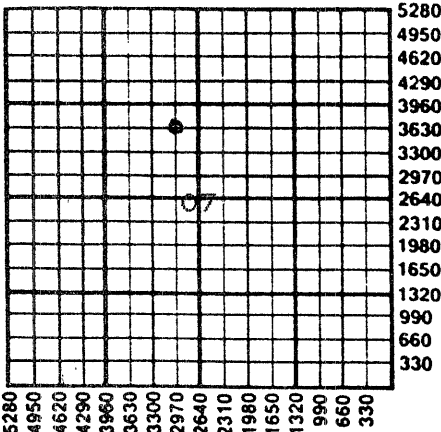
07/10/89

Date: _____ Signature of Operator or Agent: [Signature] Title: AS AGENT

SEARCH INDEX

FOR KCC USE:

API # 15- 163-23,050-00-00
Conductor pipe required NONE feet
Minimum surface pipe required 200 feet per Alt. XX
Approved by: DPW 7-10-89
EFFECTIVE DATE: 7-15-89
This authorization expires: 1-10-90
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____



RECEIVED
STATE CORPORATION COMMISSION
07-10-1989
JUL 10 1989
CONSERVATION DIVISION
Wichita, Kansas

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.