

CARD MUST BE TYPED

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

CARD MUST BE SIGNED

Starting Date: June 25 1984
month day year

API Number 15- 065-22,008-00-00

OPERATOR: License # 5342
Name Beacon Exploration Company
Address 410 17th St., Ste. 2300
City/State/Zip Denver, CO 80202
Contact Person David R. Kranz
Phone (303) 825-1966

NE, NW NE. Sec 10. Twp 7. S, Rge 25. East
(location) West
4950 Ft North from Southeast Corner of Section
1650 Ft West from Southeast Corner of Section
(Note: Locate well on Section Plat on reverse side)

CONTRACTOR: License # 6033
Name Murfin Drilling Co.
City/State Wichita, Kansas

Nearest lease or unit boundary line 330 feet.
County Graham
Lease Name Dugan Well# 1-10
Domestic well within 330 feet: yes no
Municipal well within one mile: yes no

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

Depth to Bottom of fresh water 100-150 mHE feet
Lowest usable water formation Dakota
Depth to Bottom of usable water 1200-1400 feet
Surface pipe by Alternate: 1 2
Surface pipe to be set 250 feet
Conductor pipe if any required feet
Ground surface elevation 2505 feet MSL
This Authorization Expires 12-18-84
Approved By 6-18-84 [Signature]

If OWWO: old well info as follows:

Operator
Well Name
Comp Date Old Total Depth
Projected Total Depth 4200 feet
Projected Formation at TD Arbuckle
Expected Producing Formations Arbuckle

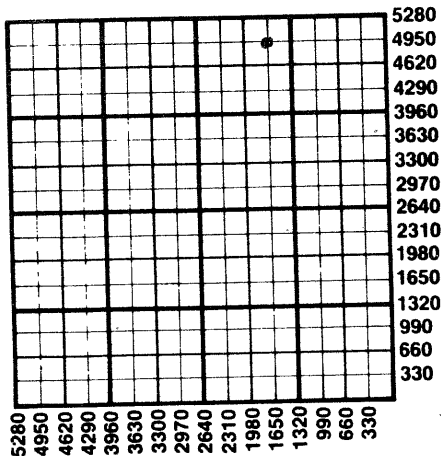
I certify that we will comply with K.S.A. 55-101, et seq., plus eventually plugging hole to K.C.C. specifications.

Date 6/15/84 Signature of Operator or Agent David R. Kranz Title Drilling/Production Engineer
MHC/KOHE 6-18-84 Form C-1 4/84

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.

6-18-84

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



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 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.

RECEIVED
STATE CORPORATION COMMISSION

JUN 18 1984

CONSERVATION DIVISION
Wichita, Kansas

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