

CARD MUST BE TYPED

State of Kansas

CARD MUST BE SIGNED

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Expected Spud Date... Nov. 20, 1988 month day year

API Number 15- 059-24,399 -00-00

OPERATOR: License # 44390-1-00 Name RCD Oil Company Address 122 North Main City/State/Zip Wellsville, Kansas 66092 Contact Person Clay Hughes Phone 1-913-883-4383

App NW NE NE Sec 11 Twp 16 S, Rg 20 4680 870 X East West Ft. from South Line of Section Ft. from East Line of Section

CONTRACTOR: License # 5682 Name Hughes Drilling Company City/State Wellsville, Kansas 66092

(Note: Locate well on Section Plat on reverse side) Nearest lease or unit boundary line 600 feet County Franklin Lease Name S. McMillen Well # 8

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

Ground surface elevation feet MSL 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

Depth to bottom of fresh water 15 Depth to bottom of usable water 200 Surface pipe by Alternate: Surface pipe planned to be set 20ft. of 6 1/2" Conductor pipe required Projected Total Depth 850 feet Formation Squirrel

I certify that well will comply with K.S.A. 55-101, et seq., plus eventually plugging hole to KCC specifications. Date 11-12-88 Signature of Operator or Agent Secretary Title

For KCC Use: Conductor Pipe Required feet; Minimum Surface Pipe Required 20' feet per Alt. X 2 This Authorization Expires 5-16-89 Approved By LKM 11-16-88

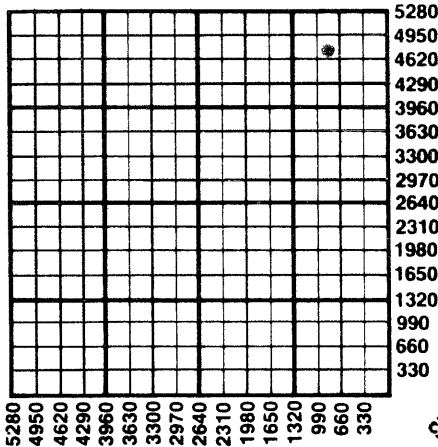
EFFECTIVE DATE: 11-21-88

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.

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 120 days of well spud date, 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 filing Intent, prepare a proposed plugging plan in case well is D & A, then obtain approval of plan when calling district office prior to setting surface pipe.
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 applicable, terminate 2 completion, cement in the production pipe from the wellbore to prevent any usable water to surface within 120 days of spud date.

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



RECEIVED
 STATE CORPORATION COMMISSION
 NOV 16 1988
 CONSERVATION DIVISION
 WICHITA, KANSAS

11-16-88

State Corporation Commission of Kansas
 Conservation Division
 200 Colorado Derby Building
 Wichita, Kansas 67202-1212
 (316) 263-3238