

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 2 1987
month day year

API Number 15- 059-24,284-00-000
NE 1/4 Sec. 31 Twp. 15 S, Rg. 21 East

OPERATOR: License # 9131
Name Jack Sanders & Son
Address R. # 2 Box 189-C
City/State/Zip Wellsville, Kansas 66092
Contact Person Jack W. or Jackie E. Sanders
Phone 913-883-2384

4094 Ft. from South Line of Section
779 Ft. from East Line of Section

(Note: Locate well on Section Plat on reverse side)

CONTRACTOR: License # 5820
Name Kent Drilling Co.
City/State Garnett, Kansas 66032

Nearest lease or unit boundary line 779 feet
County Franklin
Lease Name Sanders Well # 7

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

Ground surface elevation 1050 feet MSL
Domestic well within 330 feet: yes no
Municipal well within one mile: yes no

If OWWO: old well info as follows:

Depth to bottom of fresh water 60
Depth to bottom of usable water 200
Surface pipe by Alternate: 1 - 2

Operator
Well Name
Comp Date Old Total Depth

Surface pipe planned to be set 20'
Conductor pipe required
Projected Total Depth 800 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 10-22-87 Signature of Operator or Agent Jackie E. Sanders Title Partner

For KCC Use:

Conductor Pipe Required feet; Minimum Surface Pipe Required 20 feet per Alt. (2)
This Authorization Expires 4-26-88 Approved By RCH 10-26-87

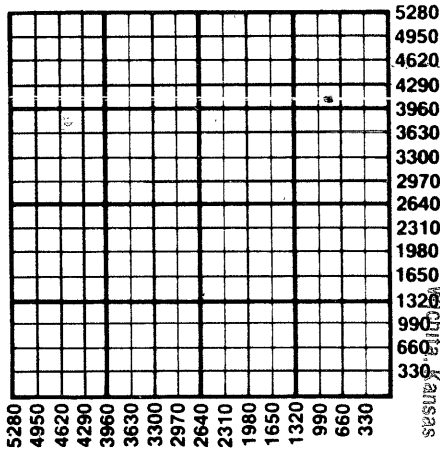
EFFECTIVE DATE: 10-31-87

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.

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



CONSERVATION DIVISION
 WICHITA, KANSAS
 RECEIVED
 STATE CORPORATION COMMISSION
 OCT 26 1987
 10-26-87

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 67202-1212
 (316) 263-3238