

CARD MUST BE TYPED

State of Kansas

CARD MUST BE SIGNED

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Starting Date JULY, 22, 1986
month day year

API Number 15— 125-28,390-00-00

OPERATOR: License # 08335
Name Western Fuel & Supply Co

SE SW SE Sec. 1 Twp. 35 S, Rg. 16 East
273 West

Address 619 Union St., P. O. Box 783

1353 Ft. from South Line of Section
1353 Ft. from East Line of Section

City/State/Zip /Coffeyville, KS 67337

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

Contact Person. Randall H. Borum

Nearest lease or unit boundary line east 1353 feet
County. Montgomery

Phone 613-251-6064

Lease Name. Bud Shaw Lease Well # 2-W

CONTRACTOR: License # 05831

Ground surface elevation 709 feet MSL

Name Mokat Drilling Co

Domestic well within 330 feet: —yes no

City/State Caney, KS 67333

Municipal well within one mile: —yes no

Well Drilled For: Well Class: Type Equipment:

Depth to bottom of fresh water. 40'

Oil — SWD Infield — Mud Rotary

Depth to bottom of usable water. 150'

Gas — Inj — Pool Ext. Air Rotary

Surface pipe by Alternate: 1 — 2

— OWWO — Expl — Wildcat Cable

If OWWO: old well info as follows:

Surface pipe planned to be set 60'

Operator

Conductor pipe required NONE

Well Name

Projected Total Depth 1200 feet

Comp Date Old Total Depth

Formation. Arbuckle Lime

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

Date Signature of Operator or Agent *Randall H. Borum* Title. Owner

For KCC Use:

Conductor Pipe Required feet; Minimum Surface Pipe Required feet per Alt. 20

This Authorization Expires 1-24-87 Approved By 7-24-86

RCA/KCC

[Signature]

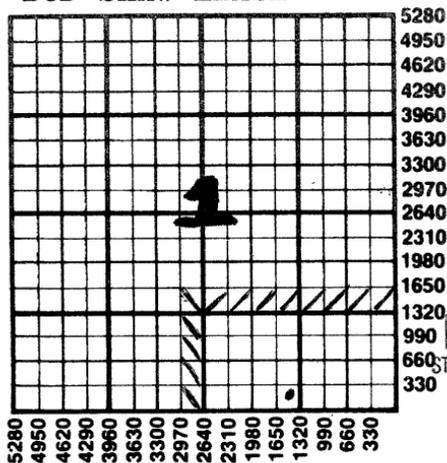
Must be filed with the K.C.C. five (5) days prior to commencing well
This card void if drilling not started within six (6) months of date received by K.C.C.

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 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 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.
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.

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

BUD SHAW LEASE



RECEIVED

STATE CORPORATION COMMISSION
CONS. DIV. WICHITA, KANS.

JUL 24 1986
724-80

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