

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Expected Spud Date. 8- 3- 1987 month day year

API Number 15- 107-22,893 -00-00

OPERATOR: License # 6157

N. E. 1/4 Sec. 10 Twp 20 S, Rg 23 West
3960 Ft. from South Line of Section
1320 Ft. from East Line of Section

Name J. & J. Oil Company

Address Box 298

City/State/Zip Mound City Kansas 66056

Contact Person Paul Jackson

Phone 913 795 2586

CONTRACTOR: License # 6157

Name Company Tools

City/State Mound City Kansas 66056

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

Nearest lease or unit boundary line 1320 feet

County Linn

Lease Name Terapoden Well # PM-4

Ground surface elevation N/A feet MSL

Domestic well within 330 feet: yes no

Municipal well within one mile: yes no

Depth to bottom of fresh water 60'

Depth to bottom of usable water 150'

Surface pipe by Alternate: 1 2 X

Surface pipe planned to be set 21'

Conductor pipe required None

Projected Total Depth 236' feet

Formation Peru

Well Drilled For: Well Class: Type Equipment:

X Oil Storage X Infield X Mud Rotary

Gas Inj Pool Ext Air Rotary

OWWO Expl Wildcat Cable

If OWWO: old well info as follows:

Operator

Well Name

Comp Date Old Total Depth

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

Date 7-24-87 Signature of Operator or Agent Paul Jackson

Title Owner

For KCC Use:

Conductor Pipe Required feet; Minimum Surface Pipe Required 20 feet per Alt. X 2

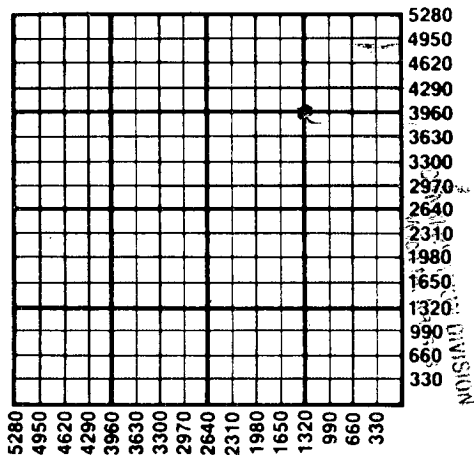
This Authorization Expires 1-27-88 Approved By JAH 7-27-87

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.
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.



STATE CORPORATION COMMISSION
RECEIVED
JUL 27 1987

18627

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