

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Expected Spud Date..... 09/21/88
month day year

API Number 15-125-29,092-00-00
N2 N2 NE Sec. 13 Twp. 34 S, Rg. 13 XX East

OPERATOR: License #..... 4469

4950 Ft. from South Line of Section

Name..... KELT ENERGY

1300 Ft. from East Line of Section

Address..... 900 COLLEGE DRIVE

City/State/Zip..... INDEPENDENCE 67301

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

Contact Person..... FADI NAMMOUR

Nearest lease or unit boundary line..... 330 feet

Phone..... (316) 331-0207

County..... MONTGOMERY

CONTRACTOR: License #..... 9350

Lease Name..... SHEIK Well #..... KHHS-1

Name..... THOMPSON DRILLING

Ground surface elevation..... APR. 1000 feet MSL

City/State..... INDEPENDENCE, KANSAS

Domestic well within 330 feet: yes XX no

Well Drilled For: Well Class: Type Equipment:

Municipal well within one mile: yes XX no

Oil Storage XX Infield XX Mud Rotary

Depth to bottom of fresh water..... 165'

XX Gas Inj Pool Ext Air Rotary

Depth to bottom of usable water..... 175'

OWWO Expl Wildcat Cable

Surface pipe by Alternate: 1 2 XX

If OWWO: old well info as follows:

Surface pipe planned to be set..... 40

Operator.....

Conductor pipe required.....

Well Name.....

Projected Total Depth..... 1500 feet

Comp Date..... Old Total Depth.....

Formation..... MISSISSIPPIAN

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

Date .. 09/20/88 .. Signature of Operator or Agent .. Title AS AGENT

For KCC Use:

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

This Authorization Expires 3-20-89 Approved By LKM 9-20-88

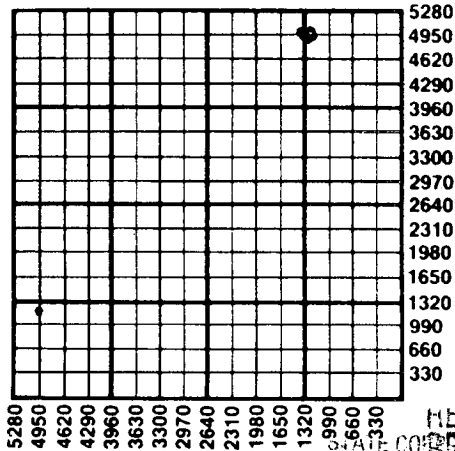
EFFECTIVE DATE: 9-25-88

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 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.



RECEIVED

STATE CORPORATION COMMISSION

SEP 20 1988

CONSERVATION DIVISION
Wichita, Kansas

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