

CARD MUST BE TYPED

State of Kansas

CARD MUST BE SIGNED

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Expected Spud Date.....08/30/88
month day year

OPERATOR: License #.....4469

Name.....KELT ENERGY

Address.....900 COLLEGE DRIVE

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

Contact Person.....FADI NAMMOUR

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

CONTRACTOR: License #.....9350

Name.....THOMPSON DRILLING

City/State.....INDEPENDANCE, KANSAS

Well Drilled For: Well Class: Type Equipment:

___ Oil ___ Storage XX Infield XX Mud RotaryXX 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 08/25/88.... Signature of Operator or Agent Greg Engleman Title AS. AGENT

For KCC Use:

Conductor Pipe Requiredfeet; Minimum Surface Pipe Required20' feet per Alt. X (2)

This Authorization Expires 2-25-89 Approved By LKM 8-25-88

EFFECTIVE DATE: 8-30-88

API Number 15—125-29,084-00-00

NW NW NW Sec. 12 Twp. 34 S, Rg. 13 XX East

4950 Ft. from South Line of Section

4950 Ft. from East Line of Section

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

Nearest lease or unit boundary line330 feet

County.....MONTGOMERY

Lease Name.....MELANDER C Well #.....KHHM 4

Ground surface elevationfeet MSL

Domestic well within 330 feet: ___yes XX noMunicipal well within one mile: ___yes XX no

Depth to bottom of fresh water 160

Depth to bottom of usable water 175

Surface pipe by Alternate: 1 XX

Surface pipe planned to be set30

Conductor pipe required

Projected Total Depth1600 feet

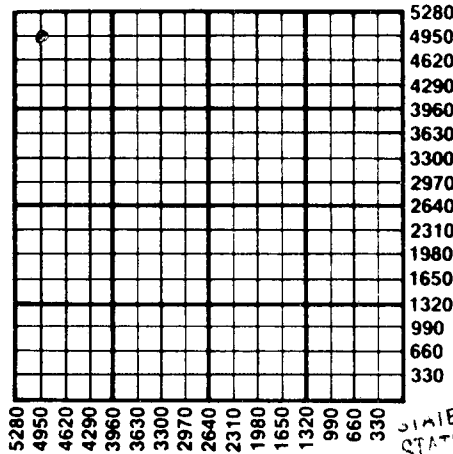
Formation.....MISSISSIPPIAN

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 terminate.
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
AUG 25 1988

CONSERVATION DIVISION
Wichita, Kansas

8-25-88

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