

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Expected Spud Date..... 09/12/88
month day year

API Number 15-125-29,091-00-00 ✓

OPERATOR: License # 4469

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

Name KELT ENERGY

2145 Ft. from South Line of Section

Address 900 COLLEGE DRIVE

3795 Ft. from East Line of Section

City/State/Zip INDEPENDENCE 67301

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

Contact Person. PETE JOHNSON

Nearest lease or unit boundary line 6.60... feet

Phone (316) 331-0207

County..... MONTGOMERY.....

CONTRACTOR: License # 9350

Lease Name..... PENDELTON..... Well #..... KHHE-2

Name THOMPSON DRILLING

Ground surface elevation feet MSL

City/State.....

Domestic well within 330 feet: _____ yes XX no

Well Drilled For: Well Class: Type Equipment:

Municipal well within one mile: _____ yes XX no

XX Oil Storage XX Infield XX Mud Rotary

Depth to bottom of fresh water..... 150'

Gas Inj Pool Ext. Air Rotary

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

OWWO Expl Wildcat Cable

Surface pipe by Alternate: 1 XX

If OWWO: old well info as follows:

Surface pipe planned to be set 20.....

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 09/09/88 Signature of Operator or Agent [Signature] Title AS. AGENT

For KCC Use:

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

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

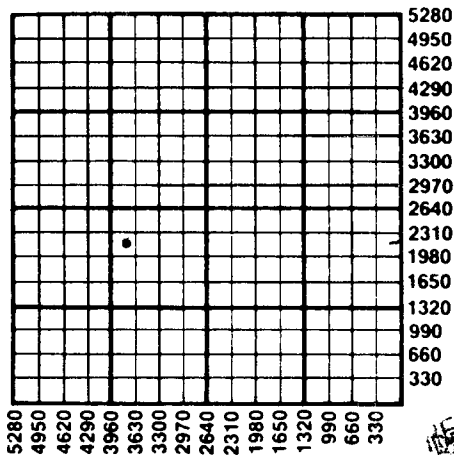
EFFECTIVE DATE: 9-14-88

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
STATE CORPORATION COMMISSION

SEP 9 1988

CONSERVATION DIVISION
Wichita, Kansas

9-9-88

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