

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Expected Spud Date..... 10/06/88
 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 CO., INC.
 City/State..... 125 S. 26TH ST., PO BOX 67301

API Number 15-125-29,098-00-00 ✓
 S/2 SE SE Sec. 12 Twp. 34 S, Rg. 13 XX East
 500 800 West
 Ft. from South Line of Section
 Ft. from East Line of Section

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

Nearest lease or unit boundary line..... 500 feet
 County..... MONTGOMERY
 Lease Name..... DALBY Well #..... KHHH-4
 Ground surface elevation..... 780 feet MSL
 Domestic well within 330 feet: —yes XX no
 Municipal well within one mile: —yes XX no
 Depth to bottom of fresh water..... 165
 Depth to bottom of usable water..... 175
 Surface pipe by Alternate: 1 2 XX
 Surface pipe planned to be set..... 20
 Conductor pipe required.....
 Projected Total Depth..... 1550 feet
 Formation..... MISSISSIPPI

Well Drilled For: Well Class: Type Equipment:
 XX Oil — Storage XX Infield XX Mud Rotary
 XX 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... 10/05/88... 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... 4-5-89... Approved By... LKM 10-5-88

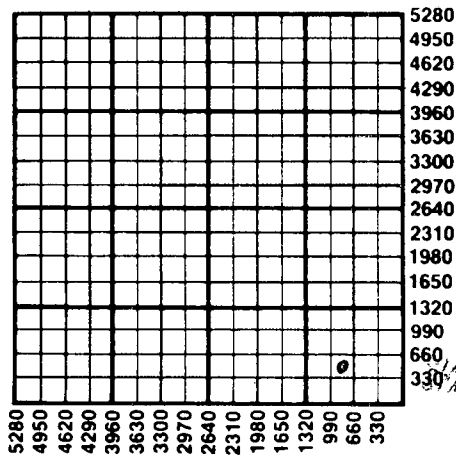
EFFECTIVE DATE: 10-10-88

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.

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



RECEIVED
STATE CORPORATION COMMISSION
OCT 5 1988

CONSERVATION DIVISION
Wichita, Kansas

10-5-88

an alternate 2 completion, cement in the production pipe from
to allow any usable water to surface within 120 days of spud date.

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