

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Starting Date 29 July 87 month day year

OPERATOR: License # 4469 Name KELT ENERGY, NC Address 900 COLLEGE AVE City/State/Zip INDEPENDENCE, KS 67301 Contact Person PETE JOHNSON Phone (316) 331-0207

CONTRACTOR: License # UNKNOWN Name City/State

Well Drilled For: Well Class: Type Equipment: X Oil SWD X Infield X Mud Rotary Gas Inj Pool Ext Air Rotary OWWO Expl Wildcat Cable

If OWWO: old well info as follows: Operator NA 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 24 July 87 Signature of Operator or Agent Title AGENT

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 7-27-87

API Number 15-099-22,591-00-00 NE NE SW NW NW SE NW Sec. 25 Twp. 32S S, Rg. 17E East 3905 Ft. from South Line of Section 3970 Ft. from East Line of Section

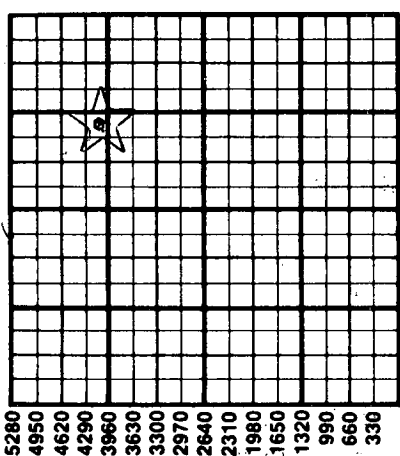
(Note: Locate well on Section Plat on reverse side) Nearest lease or unit boundary line 1310 feet County LABETTE Lease Name PERRY Well # KCPP 53 Ground surface elevation 800 feet MSL Domestic well within 330 feet: yes X no Municipal well within one mile: yes X no Depth to bottom of fresh water Depth to bottom of usable water 200 Surface pipe by Alternate: 1 2 X Surface pipe planned to be set 20 Conductor pipe required NA Projected Total Depth 700 feet Formation BARTLESVILLE

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 90 days of well completion, 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.
- Obtain an approved injection docket number before disposing of salt water.
- Notify K.C.C. within 10 days when injection commences or terminates.

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



5280
 4950
 4620
 4290
 3960
 3630
 3300
 2970
 2640
 2310
 1980
 1650
 1320
 990
 660
 330

CONSERVATION DIVISION
 Wichita, Kansas

JUL 27 1987

STATE CORPORATION COMMISSION
 RECEIVED

an alternate 2 completion, cement in the production pipe from below 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
 (316) 263-3238

7-27-87