

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Expected Spud Date... October 13, 1988
month day year

API Number 15-173-20, 819-00-00

OPERATOR: License # 3504
Name Spurlock & Spines Exploration, Inc.
Address 525 Fourth Financial Center
City/State/Zip Wichita, KS 67202
Contact Person Robert C. Spurlock
Phone 316/264-2808

C N/2 NW SW Sec. 13 Twp. 26 S, Rg. 2E
2310 Ft. from South Line of Section
4620 Ft. from East Line of Section

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

CONTRACTOR: License # 5864
Name Duke Drilling Co., Inc.
City/State Wichita, KS 67202

Nearest lease or unit boundary line 600' feet
County Sedgwick
Lease Name KRAFT PROPERTIES Well # 1
Ground surface elevation 1385 feet MSL

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

Domestic well within 330 feet: yes no
Municipal well within one mile: yes no
Depth to bottom of fresh water 175
Depth to bottom of usable water 175
Surface pipe by Alternate: 1 2
Surface pipe planned to be set 250
Conductor pipe required
Projected Total Depth 3300 feet
Formation Arbuckle

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 10/5/88 Signature of Operator or Agent Robert C. Spurlock Title President

For KCC Use:

Conductor Pipe Required feet; Minimum Surface Pipe Required 200' feet per Alt. (1) X

This Authorization Expires 4-10-89 Approved By LKM 10-10-88

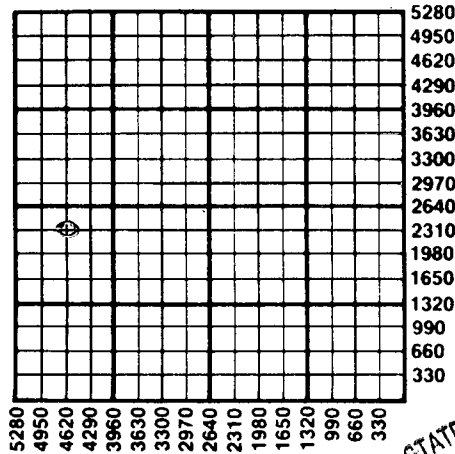
EFFECTIVE DATE: 10-15-88

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.
Notify K.C.C. within 10 days when injection commences or terminates.
Use 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
10-7-88
OCT 7 1988
CONSERVATION DIVISION
Wichita, Kansas

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