

Must be approved by the K.C.C. five (5) days prior to commencing well

Expected Spud Date 9-28-89
month day year

S/2 SW SE Sec 32 Twp 9 S, Rg 31 East
X West

OPERATOR: License # 3372
Name: Morrison-Dixon Oil Operations, Inc
Address: 100 N Main, Suite 801
City/State/Zip: Wichita, Kansas 67202
Contact Person: Micheal W. Dixon
Phone: (316) 264-9632

330 feet from South line of Section
1860-1980' feet from East line of Section
(Note: Locate well on Section Plat Below)

CONTRACTOR: License #: N.A
Name: Unknown

County: Thomas
Lease Name: Ostmeyer Well #: 1
Field Name: W.C.

Well Drilled For: Well Class: Type Equipment:
.X Oil ... Inj ... Infield X Mud Rotary
... Gas ... Storage ... Pool Ext. ... Air Rotary
... OAWO ... Disposal X Wildcat ... Cable
... Seismic; ... # of Holes

Is this a Prorated Field? yes X no
Target Formation(s): L/Kc

If OAWO: old well information as follows:
Operator:
Well Name:
Comp. Date: Old Total Depth

Nearest lease or unit boundary: 330
Ground Surface Elevation: N.A. feet MSL
Domestic well within 330 feet: N.A. yes ... no

Directional, Deviated or Horizontal wellbore? yes .X. no
If yes, total depth location:

Municipal well within one mile: ... yes X no
Depth to bottom of fresh water: 200
Depth to bottom of usable water: 1850

AFFIDAVIT

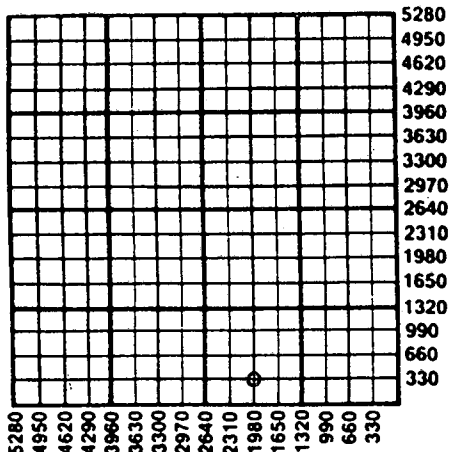
The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.

It is agreed that the following minimum requirements will be met:

- 1. The appropriate district office shall be notified before setting surface pipe;
- 2. The minimum amount of surface pipe as specified above shall be set by circulating cement to the top; in all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet into the underlying formation;
- 3. If the well is dry, a plugging proposal shall be submitted to the district office. An agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
- 4. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
- 5. If an Alternate II completion, production pipe shall be cemented from below any usable water to surface within 120 days of spud date. In all cases, notify district office prior to any cementing.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 9-19-89 Signature of Operator or Agent: Micheal W. Dixon Title: Vice-President



SEP 19 1989
CONSERVATION DIVISION
Wichita, Kansas

FOR KCC USE:
API # 15-193-20,485-00-00
Conductor pipe required NONE feet
Minimum surface pipe required 250 feet per Alt. X(2)
Approved by: DPW 9-19-89
EFFECTIVE DATE: 9-23-89
This authorization expires: 3-19-90
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

REMEMBER TO:

- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.