

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

10

Expected Spud Date. 1 3 1989
month day year

API Number 15- 003- 22,977-00-00
Aprox.-

OPERATOR: License # 3523
Name KERR MANAGEMENT
Address 9701 E. Arapahoe Road
City/State/Zip Englewood, Colo. 80112
Contact Person Bob Sadler
Phone (913) 756-2223

X East
NW. SE. NE. Sec. 10. Twp. 23. S, Rg. 21. West
3795 Ft. from South Line of Section
1045 Ft. from East Line of Section

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

CONTRACTOR: License # 6451
Name Big "E" Drilling
City/State Centerville, Kans. 66041

Nearest lease or unit boundary line 1045 feet
County ANDERSON
Lease Name LAUGHLIN Well # 28

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

Ground surface elevation feet MSL
Domestic well within 330 feet: yes X no
Municipal well within one mile: yes X no
Depth to bottom of fresh water 20
Depth to bottom of usable water 125
Surface pipe by Alternate: 1 2 X
Surface pipe planned to be set 20
Conductor pipe required 0
Projected Total Depth 900 feet
Formation Burgess

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 12-29-88 Signature of Operator or Agent [Signature] Title Agent

For KCC Use:

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

This Authorization Expires 6-29-89 Approved By LKM 12-29-88

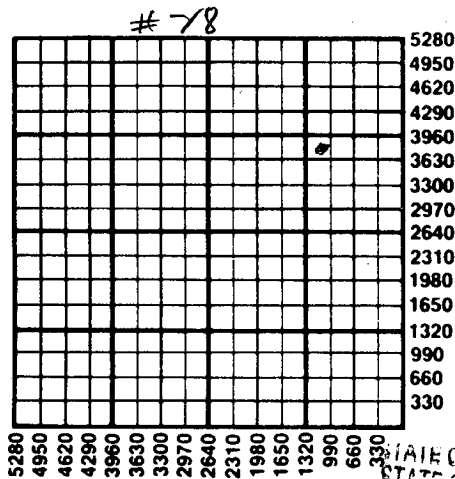
EFFECTIVE DATE: 1-3-89

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
 WICHITA, KANSAS

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

DEC 29 1988
 12-29-88
 CONSERVATION DIVISION
 Wichita, Kansas

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