

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Expected Spud Date: 12 month, 23 day, 87 year

API Number 15-193-20459-00-00

OPERATOR: License # 5123 & 4277 100±
Name Pickrell Drlg Co. Inc. & Bruce Anderson
Address 110 N. Market, Suite 205
City/State/Zip Wichita, Kansas 67202
Contact Person Jay McNeil
Phone 262-8427

SE NE SE Sec. 18 Twp. 9 S, Rg. 32
1900 Ft. from South Line of Section
540 Ft. from East Line of Section

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

CONTRACTOR: License # 5123
Name Pickrell Drilling Company, Inc.
City/State Wichita, Kansas

Nearest lease or unit boundary line 540 feet
County Thomas
Lease Name Steinle Well # 1-B

Well Drilled For: X Oil, Storage, Infield, Mud Rotary
Gas, Inj, Pool Ext, Air Rotary
OWWO, Expl, Wildcat, Cable

Ground surface elevation 3051 feet MSL
Domestic well within 330 feet: yes X no
Municipal well within one mile: yes X no

If OWWO: old well info as follows:

Depth to bottom of fresh water 250-200
Depth to bottom of usable water 1800
Surface pipe by Alternate: 1 2 X

Operator
Well Name
Comp Date Old Total Depth

Surface pipe planned to be set 300' +
Conductor pipe required
Projected Total Depth 4750 feet
Formation Mississippi

I certify that well will comply with K.S.A. 55-101, et seq., plus eventually plugging hole to KCC specifications.

Date 12-10-87 Signature of Operator or Agent Title Chief Geologist

For KCC Use:

Conductor Pipe Required feet; Minimum Surface Pipe Required 250 feet per Alt.
This Authorization Expires 6-10-88 Approved By 12-10-88

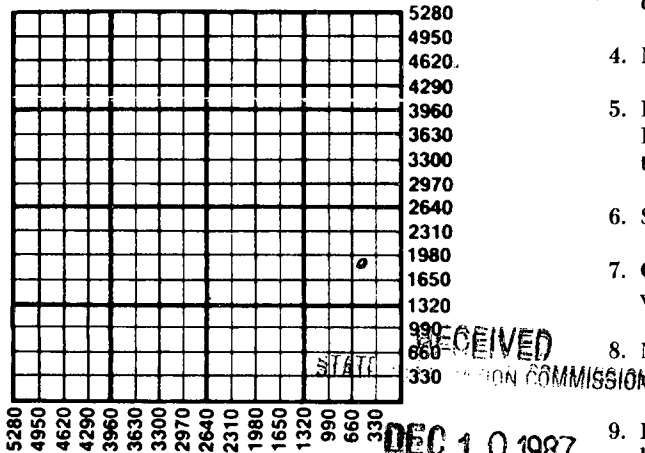
EFFECTIVE DATE: 12-15-87

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.
9. If 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
 DEC 10 1987
 12-10-1987
 CONSERVATION DIVISION
 Wichita, Kansas

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