

CARD MUST BE TYPED

State of Kansas

CARD MUST BE SIGNED

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Expected Spud Date..... 10 10 87
month day year

API Number 15— 065-22, 412-00-00 ✓

OPERATOR: License # 9067 & 6390
Name DaMar Resources, Inc. & McDonald-Wallace
Address Petroleum Company, Inc.
City/State/Zip P.O. Box 70 Hays, KS 67601
Contact Person Daniel F. Schippers
Phone (913) 625-0020

NE SE SW Sec 7 Twp 10 S, Rg 25 East
990 Ft. from South Line of Section
2970 Ft. from East Line of Section

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

CONTRACTOR: License # 5864
Name Lobo Drilling Company
City/State Wichita, KS

Nearest lease or unit boundary line 330 feet
County Graham
Lease Name Anderson Well # 1

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

Ground surface elevation 2530 est. feet MSL
Domestic well within 330 feet: yes no
Municipal well within one mile: yes no

If OWWO: old well info as follows:

Operator
Well Name
Comp Date Old Total Depth.....

Depth to bottom of fresh water 180'
Depth to bottom of usable water 1300'
Surface pipe by Alternate: 1 2
Surface pipe planned to be set 200'
Conductor pipe required N/A
Projected Total Depth 4000 feet
Formation Lansing

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

Date 9/24/87 Signature of Operator or Agent [Signature] Title President

For KCC Use:

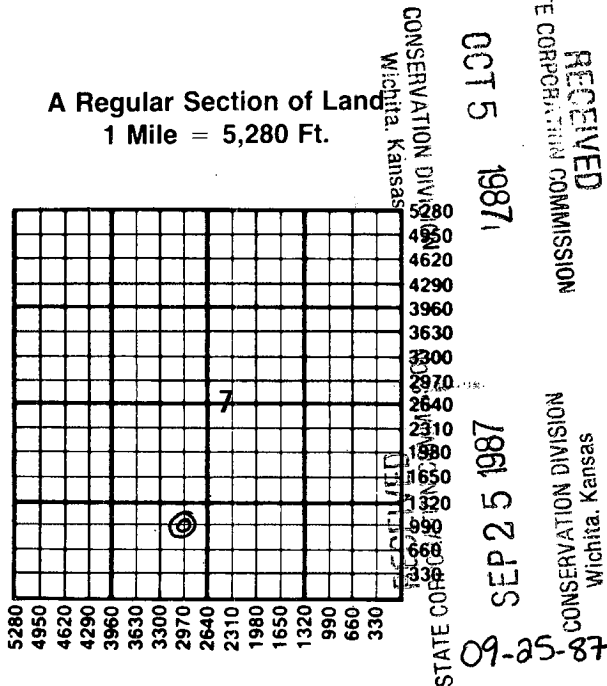
Conductor Pipe Required feet; Minimum Surface Pipe Required 200 feet per Alt. X(2)

This Authorization Expires 4-5-88 effective 10-10-87 Approved By 10-5-87

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.

SECRET

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



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.

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