

EFFECTIVE DATE: 8-10-91

State of Kansas
NOTICE OF INTENTION TO DRILL

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

Expected Spud Date 8 14 91
month day year

SW NE SW Sec 12 Twp 10 S, Rg 32 X East West

..... 1650 feet from South line of Section
..... 3630 feet from East line of Section
(Note: Locate well on Section Plat on Reverse Side)

OPERATOR: License # 9067
Name: DaMar Resources, Inc.
Address: P.O. Box 70
City/State/Zip: Hays, KS 67601
Contact Person: Dan Schippers
Phone: (913) 625-0020

County: Thomas
Lease Name: Howard Well #: 1
Field Name: Wildcat

CONTRACTOR: License #: 30606
Name: Murfin Drilling Company, Inc.

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

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

Nearest lease or unit boundary: 990
Ground Surface Elevation: 3047 feet MSL
Domestic well within 330 feet: yes X no

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

Municipal well within one mile: yes X no
Depth to bottom of fresh water: 150
Depth to bottom of usable water: 1850

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

Surface Pipe by Alternate: 1 X 2
Length of Surface Pipe Planned to be set: 240
Length of Conductor pipe required: none

Projected Total Depth: 4,700
Formation at Total Depth: Mississippi

Water Source for Drilling Operations:
... well ... farm pond X other
DWR Permit #:
Will Cores Be Taken?: yes X no
If yes, proposed zone:

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: .. 8/02/91 Signature of Operator or Agent: Daniel F. Schippers Title: President

FOR KCC USE:

API # 15- 193-20,567-00-00

Conductor pipe required None feet

Minimum surface pipe required 240 feet per Alt. ②

Approved by: MD 8-5-91

EFFECTIVE DATE: 8-10-91

This authorization expires: 2-5-92

(This authorization void if drilling not started within 6 months of effective date.)

Spud date: _____ Agent: _____

RECEIVED
STATE CORPORATION COMMISSION
08-05-1991
AUG 05 1991
CONSERVATION DIVISION
Wichita, Kansas

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.

12-10-32607

PLAT OF ACREAGE ATTRIBUTABLE TO A WELL

State Corporation Commission, Conservation Division
200 Colorado Derby Bldg. Wichita, Kansas 67202

OPERATOR DaMar Resources, Inc.
LEASE Howard
WELL NUMBER 1
FIELD Wildcat

LOCATION OF WELL:
1650 feet north of SE corner
3630 feet west of SE corner
SW/4 Sec. 12 T 10S R 32 E/W
COUNTY Thomas Co.

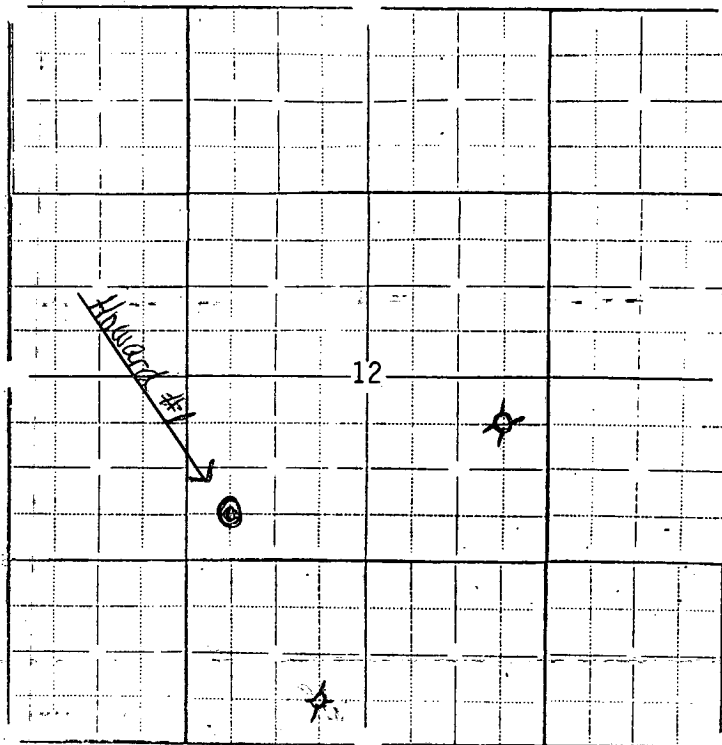
NO. OF ACRES ATTRIBUTABLE TO WELL _____

IS SECTION X REGULAR _____ IRREGULAR?
IF IRREGULAR, LOCATE WELL FROM NEAREST
CORNER BOUNDARY.

DESCRIPTION OF ACREAGE SW/4

NOTE: If plat depicted is insufficient for your circumstances, you may attach
your own scaled or surveyed plat.

PLAT



In plotting the proposed location of the well, you must show:

- 1) The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding partial sections, 4 sections, 16 sections, etc.;
- 2) the well's location relative to the location of other wells producing from the same common source of supply in adjoining drilling units, pursuant to K.A.R. 82-3-108, 82-3-207, 82-3-312, or special orders of the Commission;
- 3) the distance of the proposed drilling location from the section's east and south lines; and
- 4) the distance to the nearest lease or unit boundary line.

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

Signature of Operator or Agent

Daniel F. Schippers
Daniel F. Schippers
President

Date August 2, 1991