

CARD MUST BE TYPED

State of Kansas
NOTICE OF INTENTION TO DRILL
(see rules on reverse side)

CARD MUST BE SIGNED

Starting Date: May 11 1985
month day year

API Number 15- 195-21,722-00-00

OPERATOR: License # 5318
Name Energy Reserves Group, Inc.
Address 925 Patton Road
City/State/Zip Great Bend, KS 67530
Contact Person Jim Sullivan
Phone 316-792-2756

SE NE SW Sec 24 Twp 11 S, Rge 21
(location) East West

.....1650..... Ft North from Southeast Corner of Section
.....2970..... Ft West from Southeast Corner of Section
(Note: Locate well on Section Plat on reverse side)

CONTRACTOR: License #
Name Unknown
City/State:

Nearest lease or unit boundary line 330 feet.
County Trego

Lease Name .. Nicholson, J.R. "B" Well# .. 3

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

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
Projected Total Depth 4000 feet
Projected Formation at TD Arbuckle
Expected Producing Formations Arbuckle

Depth to Bottom of fresh water 200 feet
Lowest usable water formation Dakota
Depth to Bottom of usable water 900 feet
Surface pipe by Alternate: 1 2
Surface pipe to be set 250 feet
Conductor pipe if any required None feet
Ground surface elevation not available feet MSL
This Authorization Expires 11-8-95
Approved By 5-8-95 [Signature]

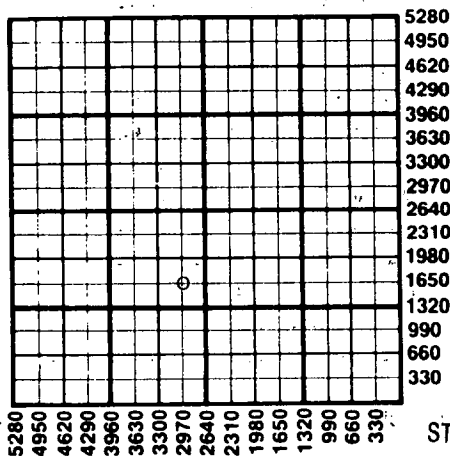
I certify that we will comply with K.S.A. 55-101, et seq., plus eventually plugging hole to K.C.C. specifications.

Date 5-3-85 Signature of Operator or Agent Jim W. Sullivan Title District Engineer

Production string will be immediately cemented from 1700' to surface.

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.

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



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 Important procedures to follow

5-8-1985
 MAY 08

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 90 days of well completion, 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 plugging, prepare a plugging plan, then obtain agreement from the appropriate district office for an approved plugging plan.
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.

CONSERVATION DIVISION
 Wichita, Kansas

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

5-6-1985
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 Wichita, Kansas