

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Expected Spud Date... September 21, 1988.....
month day year

API Number 15- 195-21,998-00-00

OPERATOR: License # 7875.....
 Name Strata Energy Resources.....
 Address 4101 Birch Street, Suite 130.....
 City/State/Zip Newport Beach, CA 92660.....

_____ East
 C.. NW.. NE.. Sec. 27.. Twp. 11.. S, Rg. 22... West
4620..... Ft. from South Line of Section
1980..... Ft. from East Line of Section

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

Contact Person... Raymond Diaz.....
 Phone... 714-261-8181.....

Nearest lease or unit boundary line 660..... feet
 County... Trego.....

CONTRACTOR: License # 4083.....
 Name Western Kansas Drilling.....
 City/State Hays, Kansas.....

Lease Name... Strata-Schubert... Well #. B-2.....
 Ground surface elevation feet MSL

Well Drilled For: Well Class: Type Equipment:
 Oil Storage 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.....

Depth to bottom of fresh water. 120'.....
 Depth to bottom of usable water 950'.....
 Surface pipe by Alternate: _____ 1 _____ 2 _____
 Surface pipe planned to be set... 250'.....
 Conductor pipe required no.....
 Projected Total Depth 4100'..... feet
 Formation Arbuckle.....

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

Date 9-21-88..... Signature of Operator or Agent [Signature]..... Title Geologist.....

For KCC Use:

Conductor Pipe Required feet; Minimum Surface Pipe Required 250' feet per Alt. (2)
 This Authorization Expires 3-21-89..... Approved By LKM 9-21-88.....

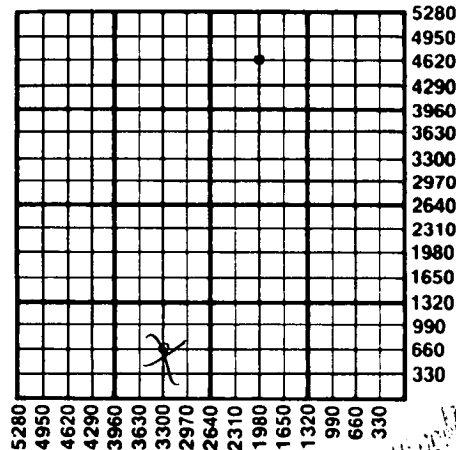
EFFECTIVE DATE: 9-26-88

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
STATE CORPORATION COMMISSION
9-21-1988
SEP 21 1988

CONSERVATION Div. 6N
Wichita, Kansas

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