

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Expected Spud Date: 6/15/87 month day year

API Number 15- 065-22,384-0000

OPERATOR: License # 5474
Name Northern Lights Oil Co.
Address 212 N. Market, Suite 400
City/State/Zip Wichita, Kansas 67202
Contact Person John W. Sutherland, Jr.
Phone (316) 263-1008

SE/4 NE/4 NW/4 Sec. 3 Twp. 10 S, Rg. 22 X West
4290 Ft. from South Line of Section
2970 Ft. from East Line of Section

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

CONTRACTOR: License # 4958
Name Mallard J.V., Inc.
City/State McPherson, Kansas 67460

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

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

Ground surface elevation 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:
Operator
Well Name
Comp Date Old Total Depth

Depth to bottom of fresh water 200
Depth to bottom of usable water 1500 1050
Surface pipe by Alternate: 1 2 X
Surface pipe planned to be set 250 ft
Conductor pipe required 0 ft
Projected Total Depth 3850 ft
Formation Lansing/Kansas City

I certify that well will comply with K.S.A. 55-101, et seq., plus eventually plugging hole to KCC specifications.
Date 5/29/87 Signature of Operator or Agent John W. Sutherland Title General Partner

For KCC Use:
Conductor Pipe Required feet; Minimum Surface Pipe Required 200 feet per Alt.
This Authorization Expires 12-1-87 Approved By 6-1-87

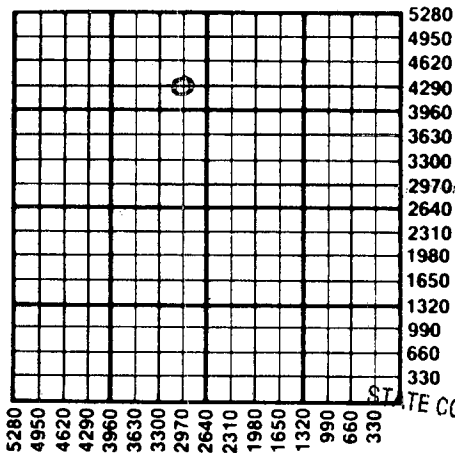
Handwritten signatures and initials at the bottom right of the page.

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.
- 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
6-1-87
JUN - 1 1987
CONSERVATION DIVISION
Wichita, Kansas

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