

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

Expected Spud Date April 2, 1989
month day year

NE NE SW Sec 1 Twp 10 S, Rg 31 X East West

OPERATOR: License # 4656
Name: Davis Petroleum, Inc.
Address: Route 1, Box 183-B
City/State/Zip: Great Bend, KS 67530
Contact Person: L.D. Davis
Phone: 316-793-3051

2310 feet from South line of Section
2970 feet from East line of Section
(Note: Locate well on Section Plat Below)

County: Thomas
Lease Name: Ostmeyer Well #: 1
Field Name: Huelsman

CONTRACTOR: License #: 6039
Name: L.D. Drilling, Inc.

Is this a Prorated Field? yes X no
Target Formation(s): Marmaton
Nearest lease or unit boundary: 330
Ground Surface Elevation: 2975 (est.) feet MSL

Well Drilled For: Well Class: Type Equipment:

Domestic well within 330 feet: yes X no
Municipal well within one mile: yes X no
Depth to bottom of fresh water: 160
Depth to bottom of usable water: 1750

X Oil ... Inj ... Infield X Mud Rotary
... Gas ... Storage ... Pool Ext. ... Air Rotary
X OWMO ... Disposal X Wildcat ... Cable
... Seismic; ... # of Holes

Surface Pipe by Alternate: 1 X 2
Length of Surface Pipe Planned to be set: 269'
Length of Conductor pipe required: None
Projected Total Depth: 4650'
Formation at Total Depth: Mississippi
Water Source for Drilling Operations:

If OWMO: old well information as follows:

Operator: Petex, Inc.
Well Name: Ostmeyer #1
Comp. Date: 10/31/88 Old Total Depth 4650'

X well farm pond other
DWR Permit #: 19069 and 30747
Will Cores Be Taken?: yes X no
If yes, proposed zone:

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

AFFIDAVIT

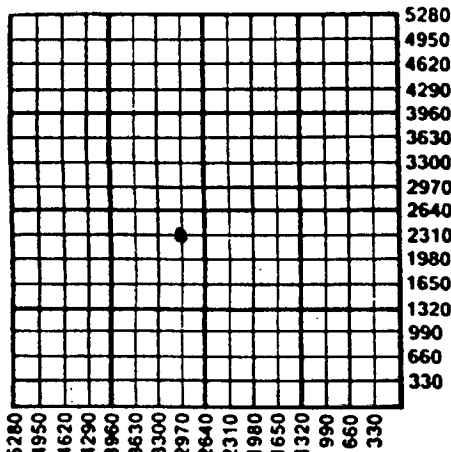
The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.

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: 2/16/89 Signature of Operator or Agent: [Signature] Title: President



RECEIVED
STATE CORPORATION COMMISSION
FEB 17 1989
02-17-89
CONSERVATION DIVISION
Wichita, Kansas

FOR KCC USE:	
API # 15- <u>193-20471-0001</u>	<u>TA</u>
Conductor pipe required <u> </u> feet	
Minimum surface pipe required <u>269'</u> feet per Alt. <u>X</u> 2	
Approved by: <u>LKM 2-17-89</u>	
EFFECTIVE DATE: <u>2-22-89</u>	
This authorization expires: <u>8-17-89</u>	
(This authorization void if drilling not started within 6 months of effective date.)	
Spud date: <u> </u>	Agent: <u> </u>

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.