

CARD MUST BE TYPED

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

CARD MUST BE SIGNED

Starting Date: 4 / 17 / 85
month day year

API Number 15- 063-20,900-00-00

OPERATOR: License # 8362 (HBP) / 4000 (SETCO)
Name Held By Production, Inc./SETCO
Address 1625 Broadway, Suite 410
City/State/Zip Denver, Colorado 80202
Contact Person Marc T. Eckels
Phone 303/534-4445

SW, NW, SW Sec. 2, Twp 12, S, Rge 30
(location) East West

1,650 Ft North from Southeast Corner of Section
4,950 Ft West from Southeast Corner of Section
(Note: Locate well on Section Plat on reverse side)

CONTRACTOR: License # 5829
Name Aldebaran Drilling Co., Inc.
City/State Pratt, Kansas

Nearest lease or unit boundary line 330 feet.
County Gove
Lease Name Heier Well# 2-12-C

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 4,530 feet
Projected Formation at TD Mississippian
Expected Producing Formations Lansing & Mississippian

Depth to Bottom of fresh water 250 feet
Lowest usable water formation Dakota
Depth to Bottom of usable water 1400 est. ~~1110~~ feet
Surface pipe by Alternate: 1 2
Surface pipe to be set 300 feet
Conductor pipe if any required NA feet
Ground surface elevation 2,849 feet MSL
This Authorization Expires 10-1-85
Approved By 4-1-85 [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 3/27/85 Signature of Operator or Agent

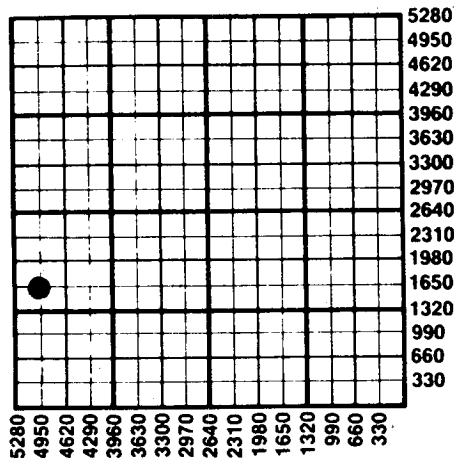
[Signature]
Marc T. Eckels

Title Sec. Treasurer (SETCO, Inc.)

MHC/MOHE 4-1-85
Form C-1 4/84

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.



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 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.

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

04-01-1985