

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Starting Date 7-10-86

month day year

API Number 15-051-24,417

OPERATOR: License # 9067

Name DaMar Resources, Inc. and

Williamson Drilling, Inc.

Address P.O. Box 70 Hays, KS 67601

City/State/Zip

Contact Person Daniel F. Schippers

Phone (913) 625-0020

CONTRACTOR: License # 4087

Name Williamson Drilling, Inc.

City/State Great Bend, KS 67530

Well Drilled For: Well Class: Type Equipment:

X Oil SWD Infield X Mud Rotary

Gas Inj Pool Ext Air Rotary

OWWO Expl Wildcat Cable

If OWWO: old well info as follows:

Operator

Well Name

Comp Date Old Total Depth

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

cementing will be done immediately upon setting production casing

Date 7/23/86 Signature of Operator or Agent

For KCC Use:

Conductor Pipe Required 1-7-87 feet; Minimum Surface Pipe Required 200 feet per Alt. X 2

This Authorization Expires 1-7-87 Approved By 7-7-86

150' W NE NE SW Sec. 12 Twp. 13 S, Rg. 20

2310 Ft. from South Line of Section

3120 Ft. from East Line of Section

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

Nearest lease or unit boundary line 330 feet

County Ellis

Lease Name Kraus Well # 1

Ground surface elevation 2080 est. feet MSL

Domestic well within 330 feet: yes X no

Municipal well within one mile: yes X no

Surface pipe by Alternate: 1 2 X

Depth to bottom of fresh water 120

Depth to bottom of usable water 500 800

Surface pipe planned to be set 240

Projected Total Depth 3775 feet

Formation Lansing-Arbuckle

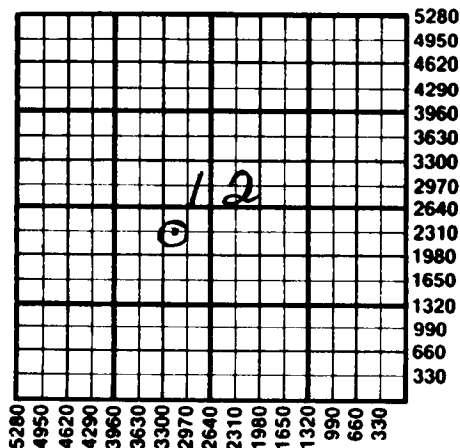
Signature of Daniel F. Schippers, President

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 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 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

JUL - 7 1986
 7-7-1986
 CONSERVATION DIVISION
 Wichita, Kansas

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