

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Expected Spud Date... July 15, 1987
month day year

API Number 15-063-21,128-00-00

OPERATOR: License # 5316
Name Falcon Exploration Inc.
Address 1531 KSB&T Building
City/State/Zip Wichita, Kansas 67202
Contact Person Kerry D. Parham
Phone (316) 262-1378

C S/2 SW/4 SW/4 Sec. 30 Twp. 13S S, Rg 29 West
330 Ft. from South Line of Section
4620 Ft. from East Line of Section

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

Nearest lease or unit boundary line 330 feet
County. Gove

CONTRACTOR: License # 9087
Name R & O Drilling
City/State Hays, Kansas

Lease Name Shively Well # 1

Ground surface elevation 2844 feet MSL

Domestic well within 330 feet: yes no

Municipal well within one mile: yes no

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

Depth to bottom of fresh water 100'

Depth to bottom of usable water 1300'

Surface pipe by Alternate: 1 2 XX

Surface pipe planned to be set 300'

Conductor pipe required No

Projected Total Depth 4600' feet

Formation Mississippian

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.

Date July 10, 1987 Signature of Operator or Agent Micheal S. Mitchell Title President

For KCC Use:

Conductor Pipe Required feet; Minimum Surface Pipe Required 200 feet per Alt. X2

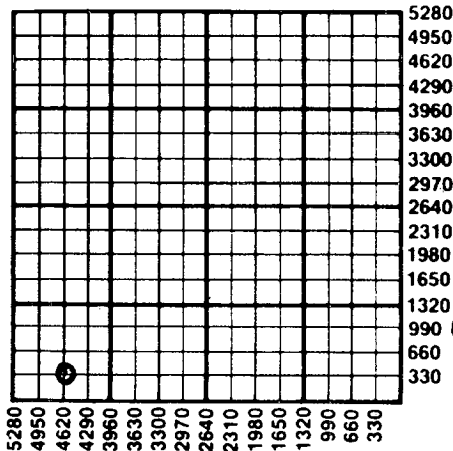
This Authorization Expires 7-14-88 Approved By FW 7-14-87

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 plugging 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 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
 WICHITA, KANSAS
 APR 14 1987
 78-14-70

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