

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

Expected Spud Date October 15 1989 Ap. C S_{1/2} NW_{1/4} 22 13 33 East
month day year Sec Twp S, Rg X West

OPERATOR: License # 3248
Name: Masters Operating Company
Address: 240 N. Rock Rd., #135
City/State/Zip: Wichita, KS 67206
Contact Person: Robert T. Stolzle
Phone: (316) 682-8844

CONTRACTOR: License #: 5104
Name: Blue Goose Drilling

Well Drilled For: Well Class: Type Equipment:
 Oil ... Inj ... Infield Mud Rotary
... Gas ... Storage Pool Ext. ... Air Rotary
 OAWO ... Disposal ... Wildcat ... Cable
... Seismic; ... # of Holes

If OAWO: old well information as follows:
Operator: Donald C. Slawson
Well Name: Stoll "J" #1
Comp. Date: 3/19/86 ... Old Total Depth 4575'

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

..... 3380 feet from South line of Section
..... 3940 feet from East line of Section
(Note: Locate well on Section Plat Below)

County: Logan
Lease Name: 3-2 Smith Well #: 1-B
Field Name: Smoky Valley North
Is this a Prorated Field? ... yes no
Target Formation(s): Lansing-Kansas City
Nearest lease or unit boundary: 740' to SW_{1/4} Sec. 22
Ground Surface Elevation: 2899' feet MSL
Domestic well within 330 feet: ... yes no
Municipal well within one mile: ... yes no
Depth to bottom of fresh water: 180'
Depth to bottom of usable water: 1500'
Surface Pipe by Alternate: ... 1 2
Length of Surface Pipe ~~set~~ set: 326'
Length of Conductor pipe required: ... NONE
Projected Total Depth: 4100'
Formation at Total Depth: Kansas City
Water Source for Drilling Operations:
 well ... farm pond ... other
DWR Permit #:
Will Cores Be Taken?: ... yes no
If yes, proposed zone:

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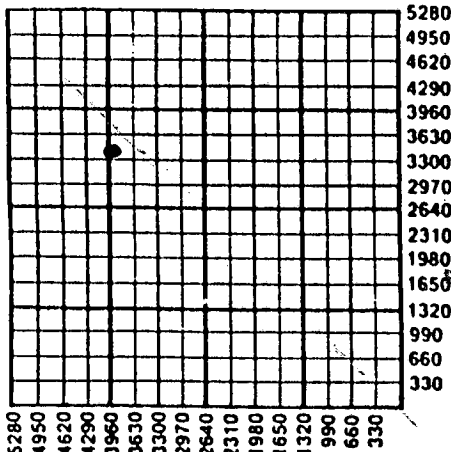
The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.

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: 8/10/89 Signature of Operator or Agent: Robert Stolzle Title: V.P. Operations



RECEIVED
STATE CORPORATION COMMISSION
AUG 11 1989
CONSERVATION DIVISION
Wichita, Kansas
RECEIVED
STATE CORPORATION COMMISSION

FOR KCC USE:
MISSION 15-109-29416-~~A~~-00-01
Conductor pipe required NONE feet
Minimum surface pipe required 326' feet per Alt. 2
Approved by: DW 8-25-89, BGF 2/20/90
EFFECTIVE DATE: 8-30-89
This authorization expires: 2-25-90 8/20/90
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

22
13
33W

AUG 25 1989
08-25-1989
CONSERVATION DIVISION
Wichita, Kansas

REMEMBER TO:

- File Drill Pit Application (form CDP-1) with Intent to Drill;
- Submit Application for Production Form ACO-1 within 120 days of spud date;
- Increase 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.