

EFFECTIVE DATE: 1-27-90

State of Kansas

NOTICE OF INTENTION TO DRILL

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

Expected Spud Date 1 27 90
month day year

NE SW NW Sec 15 Twp 13 S, Rg 22 East
32 West

3630 feet from South line of Section
4290 feet from East line of Section

(Note: Locate well on Section Plat Below)

OPERATOR: License # 5123
Name: Pickrell Drilling Company, Inc.
Address: 110 N. Market, Suite 205
City/State/Zip: Wichita, KS 67202
Contact Person: Larry Richardson
Phone: 262-8427

County: Trego
Lease Name: Loflin "B" Well #: 1
Field Name: Unknown

CONTRACTOR: License # 5123
Name: Company Tools

Is this a Prorated Field? yes no
Target Formation(s): LKC, Cherokee

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

Nearest lease or unit boundary: 990'
Ground Surface Elevation: 2270 (surveyed) feet MSL
Domestic well within 330 feet: yes no
Municipal well within one mile: yes no

If OAWO: old well information as follows:
Operator: _____
Well Name: _____
Comp. Date: _____ Old Total Depth _____

Depth to bottom of fresh water: 180'
Depth to bottom of usable water: 950'
Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 200'+
Length of Conductor pipe required: n/a
Projected Total Depth: 4200'

Formation at Total Depth: Mississippian
Water Source for Drilling Operations:

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

... well ... farm pond other
DWR Permit #: N/A

Will Cores Be Taken? yes no
If yes, proposed zone: _____

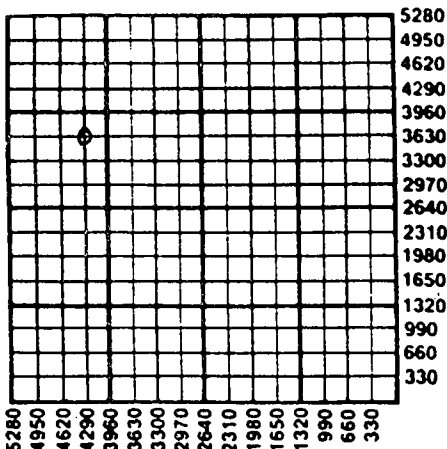
AFFIDAVIT

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: 1-22-90 Signature of Operator or Agent: [Signature] Title: Geologist



RECEIVED
STATE CORPORATION COMMISSION
JAN 22 1990
01-22-90
Wichita, Kansas

FOR KCC USE:
API # 15-195-22,044
Conductor pipe required NONE feet
Minimum surface pipe required 200' feet per Alt.
Approved by: DPW 1-22-90
EFFECTIVE DATE: 1-27-90
This authorization expires: 7-22-90
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

15
13
22w

REMEMBER TO:

- File Well 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.