

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Starting Date August 18, 1987
month day year

API Number 15-071-20,443-00-00

OPERATOR: License # 3504
Name Spurllock & Spines Exploration, Inc.
Address 525 Fourth Financial Center
City/State/Zip Wichita, KS 67202
Contact Person Robert C. Spurlock
Phone 264-2808

SE NE NW Sec. 11 Twp. 16 S, Rg. 42W
4290 Ft. from South Line of Section
2970 Ft. from East Line of Section

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

CONTRACTOR: License # 6033
Name Murfin Drilling Company
City/State 250 North Water, Wichita, KS

Nearest lease or unit boundary line _____ feet
County Greeley

Lease Name NICKELSON Well # 1-11
Ground surface elevation est 3790 feet MSL

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
Surface pipe by Alternate: 1 _____ 2
Depth to bottom of fresh water: 200' 300'
Depth to bottom of usable water: 1700'
Surface pipe planned to be set: 320'
Projected Total Depth: 5300' feet
Formation: Morrow

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 8/14/87 Signature of Operator or Agent Robert Spurlock Title President

For KCC Use:

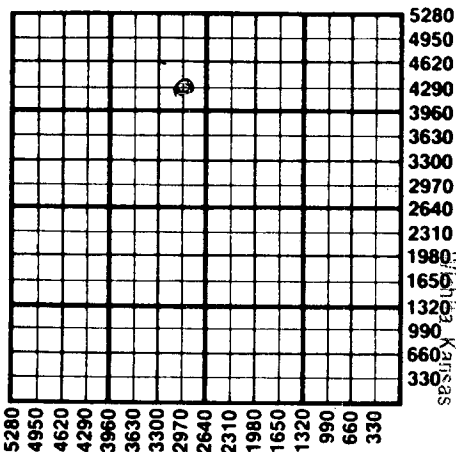
Conductor Pipe Required _____ feet; Minimum Surface Pipe Required 320 feet per Alt. X (2)
This Authorization Expires 2-14-88 Approved By 8-14-87

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 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.
- Submit plugging report (CP-4) to K.C.C. after plugging is completed.
- Obtain an approved injection docket number before disposing of salt water.
- Notify K.C.C. within 10 days when injection commences or terminates.
- 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.



CONSERVATION DIVISION
 Wichita, Kansas

AUG 14 1987

STATE CORPORATION COMMISSION RECEIVED

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