

CARD MUST BE TYPED

State of Kansas

CARD MUST BE SIGNED

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

DJA

Starting Date NOVEMBER 23, 1987
month day year

API Number 15-101-21,441-0000

OPERATOR: License # 4661
Name GALLOWAY PETROLEUM EXPLORATION, INC.
Address 360 BROADWAY PLAZA BLDG.
City/State/Zip WICHITA, KS 67202
Contact Person CASEY GALLOWAY
Phone (316) 267-7355

Sec. 7 Twp. 17 S, Rg. 28 East West
3300 Ft. from South Line of Section
4620 Ft. from East Line of Section

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

CONTRACTOR: License # 5783
Name GALLOWAY DRILLING CO., INC.
City/State WICHITA, KS 67202

Nearest lease or unit boundary line 1320 feet
County LANE
Lease Name JAMES Well # 1-7

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

Ground surface elevation 2772 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 1380
Surface pipe by Alternate: 1 2

If OWWO: old well info as follows:

Operator
Well Name
Comp Date Old Total Depth

Surface pipe planned to be set 350
Conductor pipe required
Projected Total Depth 4700 feet
Formation MISSISSIPPI

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

Date 11/10/87 Signature of Operator or Agent

Casey Galloway
CASEY T. GALLOWAY

Title PRESIDENT

For KCC Use:

Conductor Pipe Required _____ feet; Minimum Surface Pipe Required 200 feet per Alt. 2

This Authorization Expires 5-16-88 Approved By *RAT* 11-16-87

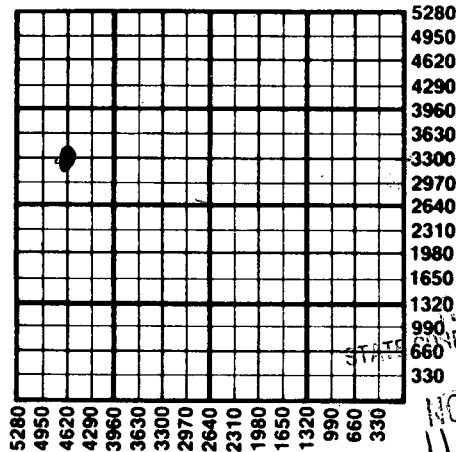
EFFECTIVE DATE: 11-21-87

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.
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
NOV 13 1987
11-13-87
CONSERVATION DIVISION
Wichita, Kansas

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