

CARD MUST BE TYPED

State of Kansas

CARD MUST BE SIGNED

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Starting Date 3 15 86 month day year 222

API Number 15- 101-21,302-0000

OPERATOR: License # 5886
Name Chief Drilling Co., Inc.
Address 151 N. Main #700
City/State/Zip Wichita, Ks. 67202
Contact Person Douglas W. Thimesch
Phone 316-262-3791

NW SE SE 7 17 S, Rg. 28 X East West
990 Ft. from South Line of Section
990 Ft. from East Line of Section

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

CONTRACTOR: License # 5883
Name Warrior Drilling Co. Rig #2
City/State Wichita, Kansas

Nearest lease or unit boundary line 990 feet
County Lane
Lease Name Terwilliger B Well # 3
Ground surface elevation will provide feet MSL
Domestic well within 330 feet: yes X no
Municipal well within one mile: yes X no
Depth to bottom of fresh water 100-200
Depth to bottom of usable water 1300 Kch
Surface pipe by Alternate: 200' 1 2 X
Surface pipe planned to be set 290'
Conductor pipe required
Projected Total Depth 4600' feet
Formation Mississippi

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

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 3-13-86 Signature of Operator or Agent Douglas W. Thimesch Title Vice President

For KCC Use:

Conductor Pipe Required 9-13-86 feet; Minimum Surface Pipe Required 220 feet per Alt. 40
This Authorization Expires 9-13-86 Approved By 3-13-86

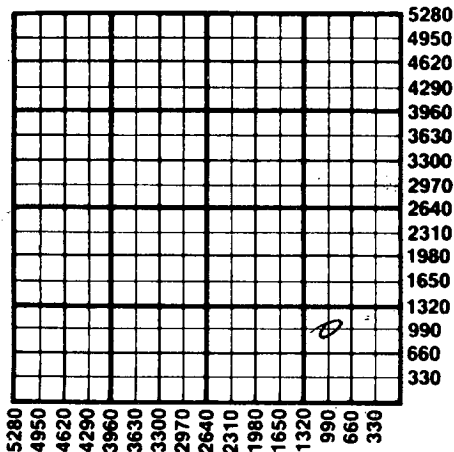
Handwritten signature

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
STATE CORPORATION COMMISSION

3-13-86
MAR 13 1986

CONSERVATION DIVISION

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