

CARD MUST BE TYPED

State of Kansas
NOTICE OF INTENTION TO DRILL
(see rules on reverse side)

CARD MUST BE SIGNED

Starting Date: 5 08 85
month day year

API Number 15- 135-22,815-00-00

OPERATOR: License # 9067
Name Damar Resources, Inc.
Address P. O. Box 70
City/State/Zip Hays, KS 67601
Contact Person Daniel F. Schippers
Phone (913) 625-0020

W/2 SW SW Sec 19, Twp 16 S, Rge 25
(location)
660 Ft North from Southeast Corner of Section
4950 Ft West from Southeast Corner of Section
(Note: Locate well on Section Plat on reverse side)

CONTRACTOR: License # 8241
Name Emphasis Oil Operations
City/State Russell, KS

Nearest lease or unit boundary line 560 feet.
County Ness
Lease Name Horacek Well# 1
Domestic well within 330 feet: yes no
Municipal well within one mile: yes no

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

Depth to Bottom of fresh water 400 feet
Lowest usable water formation Dakota
Depth to Bottom of usable water 900 feet
Surface pipe by Alternate: 1 2
Surface pipe to be set 280 feet
Conductor pipe if any required none feet
Ground surface elevation N/A feet MSL
This Authorization Expires 11-6-85
Approved By 5-6-85 [Signature]

If OWWO: old well info as follows:

Operator
Well Name
Comp Date Old Total Depth
Projected Total Depth 4550 feet
Projected Formation at TD Mississippi
Expected Producing Formations Mississippi

I certify that we will comply with K.S.A. 55-101, et seq., plus eventually plugging holes to K.C.C. specifications *we will immediately cement prod. string per attached note*

Date 5/03/85 Signature of Operator or Agent [Signature]

Title President

MHC/UDHE 5-6-85 on base of note
Form C-1 4/84

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.

RECEIVED
 STATE CORPORATION COMMISSION

Important procedures to follow:

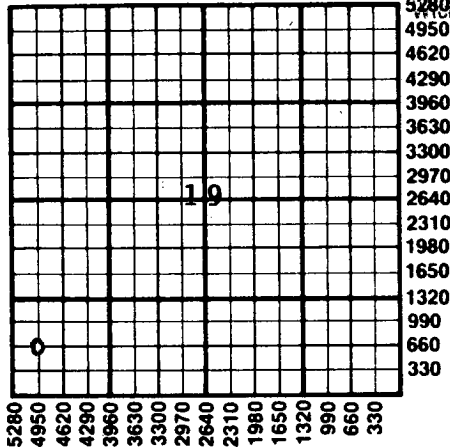
A Regular Section of Land
 1 Mile = 5,280 Ft.

5-6-85
 MAY 06 1985

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 plugging, prepare a plugging plan, then obtain agreement from the appropriate district office for an approved plugging plan.
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.

CONSERVATION DIVISION

Wichita, Kansas



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

DaMar Resources, Inc., Operator of the Horacek #1 as herein stated, will immediately cement the production string from below the usable water to the surface should commercial amounts of oil be encountered.

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MAY 06 1985

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Wichita, Kansas