

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Starting Date December 15, 1985 month day year 1985

OPERATOR: License # 6420 Name KRM Petroleum Corporation Address 1900 Grant St., Suite 300 City/State/Zip Denver, CO 80203 Contact Person Alan Townsend Phone (303) 830-6601

CONTRACTOR: License # 5107 Name H-30, Inc. City/State Wichita, Kansas

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.

cementing will be done immediately upon setting production casing.

Date 12-12-85 Signature of Operator or Agent

Sherry Lueng Agent

For KCC Use:

Conductor Pipe Required feet; Minimum Surface Pipe Required feet per Alt. 1 2

This Authorization Expires 6-12-86 Approved By 12-12-85

API Number 15- 101-21,266-60-00 C. E/2 NE. Sec. 36 Twp. 17 S, Rg. 27 X West 3960 Ft. from South Line of Section 660 Ft. from East Line of Section

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

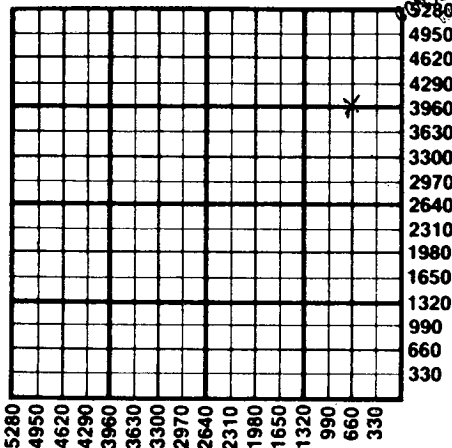
Nearest lease or unit boundary line 660 feet County Lane Lease Name Thelma Well # 1-36 Ground surface elevation feet MSL Domestic well within 330 feet: yes XXno Municipal well within one mile: yes XXno Surface pipe by Alternate: X Depth to bottom of fresh water 1.50 Depth to bottom of usable water 9.25 Surface pipe planned to be set 300' Projected Total Depth 4750 feet Formation Mississippi

Handwritten signature/initials

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.

A Regular Section of Land
1 Mile = 5,280 Feet

RECEIVED
STATE CORPORATION COMMISSION
DEC 12 1985
CONSERVATION DIVISION
Wichita, Kansas



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.

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