

EFFECTIVE DATE: 12-11-89

State of Kansas

NOTICE OF INTENTION TO DRILL

Must be approved by the K.C.C. five (5) days prior to commencing well

Expected Spud Date December 10, 1989
month day year

S/2 S/2 NW Sec 3 Twp 17 S, Rg 27 East
 West

OPERATOR: License # 5285
Name: The Dane G. Hansen Trust
Address: P. O. Box 187
City/State/Zip: Logan, Kansas 67646
Contact Person: Dane G. Bales
Phone: 913-689-4816

2970 feet from South line of Section
3960 feet from East line of Section
(Note: Locate well on Section Plat Below)

CONTRACTOR: License #: 5783
Name: Galloway Drilling Co., Inc.

County: Lane
Lease Name: Bowles 'A' Well #: 6
Field Name: Pendennis South

Well Drilled For: Well Class: Type Equipment:
X. Oil ... Inj. X. Infield X. Mud Rotary
... Gas ... Storage ... Pool Ext. ... Air Rotary
... OWWO ... Disposal ... Wildcat ... Cable
... Seismic; ... # of Holes

Is this a Prorated field? ... yes no
Target Formation(s): Mississippian
Nearest lease or unit boundary: 330
Ground Surface Elevation: N.A. feet MSL
Domestic well within 330 feet: ... yes no
Municipal well within one mile: ... yes no
Depth to bottom of fresh water: 150'
Depth to bottom of usable water: 1100' 1150'
Surface Pipe by Alternate: ... 1 2
Length of Surface Pipe Planned to be set: 300'
Length of Conductor pipe required: None
Projected Total Depth: 4500
Formation at Total Depth: Mississippian
Water Source for Drilling Operations: Contractors Decision
... well ... farm pond ... other

If OWWO: old well information as follows:
Operator:
Well Name:
Comp. Date: Old Total Depth

DWR Permit #:
Will Cores Be Taken?: ... yes no

Directional, Deviated or Horizontal wellbore? ... yes no
If yes, total depth location:

If yes, proposed zone:

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.

It is agreed that the following minimum requirements will be met:

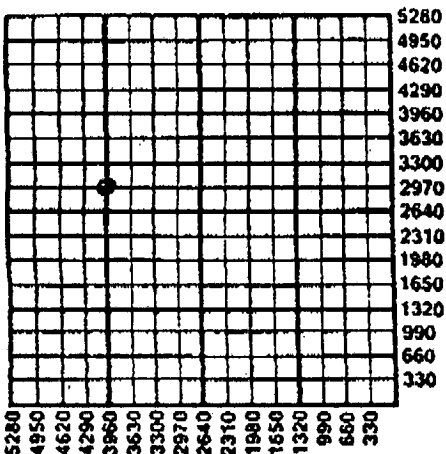
- 1. The appropriate district office shall be notified before setting surface pipe;
- 2. The minimum amount of surface pipe as specified above shall be set by circulating cement to the top; in all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet into the underlying formation;
- 3. If the well is dry, a plugging proposal shall be submitted to the district office. An agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
- 4. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
- 5. If an Alternate II completion, production pipe shall be cemented from below any usable water to surface within 120 days of spud date. In all cases, notify district office prior to any cementing.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 12/5/89 Signature of Operator or Agent: [Signature] Title: As Agent

Search, Inc.

STATE CORPORATION COMMISSION



FOR KCC USE:
API # 15- 101-21,536-00-00
Conductor pipe required NONE feet
Minimum surface pipe required 300' feet per Alt. 2
Approved by: DPW 12-06-89
EFFECTIVE DATE: 12-11-89
This authorization expires: 6-06-90
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

REMEMBER TO:

- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- file acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.