

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Starting Date May 4, 1987
month day year

API Number 15- 135-23,119-00-00

OPERATOR: License # 4718
Name Baja Petroleum Corporation
Address 250 N. Rock Road, Suite 300
City/State/Zip Wichita, KS 67208
Contact Person Jim Gowens
Phone (316) 262-1515

N/2 SE NW Sec. 14 Twp. 16 S, Rg. 21 East
3630 Ft. from South Line of Section
3300 Ft. from East Line of Section

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

CONTRACTOR: License # 9087
Name R. & C. Drilling Co., Inc.
City/State Hays, KS

Nearest lease or unit boundary line 330 feet
County Ness

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

Lease Name Pugh Well # 1
Ground surface elevation est. 2250 feet MSL
Domestic well within 330 feet: yes no

Municipal well within one mile: yes no

If OWWO: old well info as follows:

Operator
Well Name
Comp Date Old Total Depth

Depth to bottom of fresh water 500
Depth to bottom of usable water 650
Surface pipe by Alternate: 1 2
Surface pipe planned to be set 240
Conductor pipe required NA
Projected Total Depth 4250 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 4/29/87 Signature of Operator or Agent *Floyd C. Wilson* Title President

Floyd C. Wilson

For KCC Use:

Conductor Pipe Required feet; Minimum Surface Pipe Required 240 feet per Alt. 4 (2)

This Authorization Expires 10-30-87 Approved By 4-30-87

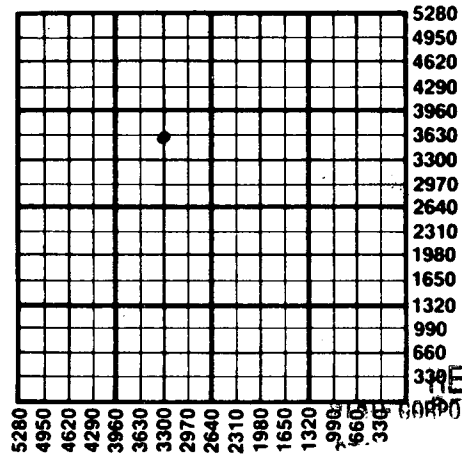
[Signature]

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
CORPORATION COMMISSION

APR 30 1987
04-30-1987
CONSERVATION DIVISION
Wichita, Kansas

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