

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Starting Date ..... Feb 9 1987  
 month day year

API Number 15— 101-21,362-00-00

OPERATOR: License # ..... 5161

NW NE SE Sec. 21 Twp. 19 S, Rg. 28 X West

Name ..... Palomino Petroleum

Address ..... Route 5 Box 51-C

City/State/Zip ..... Newton, KS 67114

Contact Person ..... Bob Watchous

Phone ..... (316) 283-0232

CONTRACTOR: License # ..... 4958

Name ..... Mallard J.V., Inc.

City/State ..... McPherson, KS

2310 Ft. from South Line of Section

990 Ft. from East Line of Section

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

Nearest lease or unit boundary line ..... 330 feet

County ..... Lane

Lease Name ..... Mowery Trust Well # ..... 3

Ground surface elevation ..... 2780 Est. feet MSL

Domestic well within 330 feet: ..... yes X no

Municipal well within one mile: ..... yes X no

Well Drilled For: Well Class: Type Equipment:

X Oil SWD X Infield X Mud Rotary

Gas Inj Pool Ext Air Rotary

OWWO Expl Wildcat Cable

Depth to bottom of fresh water ..... 80

Depth to bottom of usable water ..... 1300

Surface pipe by Alternate: 1 2 X

If OWWO: old well info as follows:

Surface pipe planned to be set ..... 200'+

Operator .....

Conductor pipe required .....

Well Name .....

Projected Total Depth ..... 4750 feet

Comp Date ..... Old Total Depth .....

Formation ..... Miss.

I certify that well will comply with K.S.A. 55-101, et seq., plus eventually plugging hole to KCC specifications.

Date ..... 1-30-87 Signature of Operator or Agent

*Bob Watchous*

Title ..... Owner

For KCC Use:

Conductor Pipe Required ..... feet; Minimum Surface Pipe Required ..... 200 feet per Alt. #2

This Authorization Expires ..... 8-2-87 Approved By ..... 2-2-87

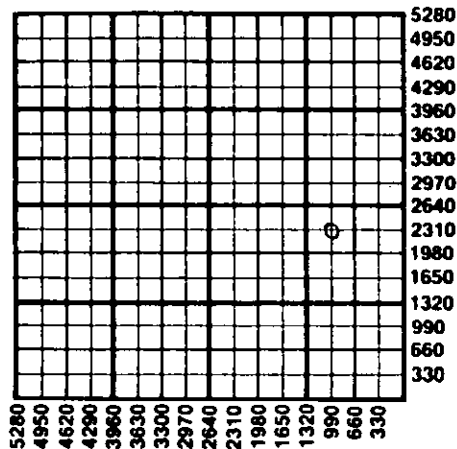
*For KCC*

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. 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.



STATE CORPORATION COMMISSION

FEB 2 1987

CONSERVATION DIVISION  
Wichita, Kansas

02-02-1987

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