

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Starting Date 2 1 86 month day year

API Number 15- 135-22,987-0000

OPERATOR: License # 5399 American Energies Corporation 575 Fourth Financial Center Wichita, Kansas 67202 Contact Person: Martha Albright Phone: 316/263-5785

E/2 E/2 SW Sec 32 Twp 17 S, Rg 22 1320 2970 Ft. from South Line of Section Ft. from East Line of Section

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

CONTRACTOR: License # 5418 Allen Drilling Co. Great Bend, Kansas

Nearest lease or unit boundary line 330 feet

County Ness

Lease Name RYAN "C" Well # 1

Ground surface elevation N/A feet MSL

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

Domestic well within 330 feet: yes no

Municipal well within one mile: yes no

Surface pipe by Alternate: 2 1

Depth to bottom of fresh water

Depth to bottom of usable water 250 350

Surface pipe planned to be set 300'

Projected Total Depth 4350 feet

Formation Mississippian

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 12/18/85 Signature of Operator or Agent Alan W. [Signature] Title Vice-President

For KCC Use:

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

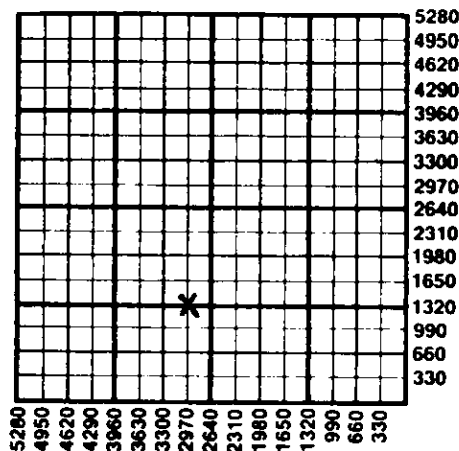
This Authorization Expires 6-18-86 Approved By 12-18-85

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.



STATE CORPORATION COMMISSION
12-18-85
DEC 18 1985

RECEIVED
Wichita, Kansas

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