

CARD MUST BE TYPED

State of Kansas

CARD MUST BE SIGNED

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Starting Date 7 17 86 month day year

API Number 15-101-21,326-0000

OPERATOR: License # 9112
Name LARILOU ENERGY RESOURCES Inc.
Address 2770 Bermuda Circle
City/State/Zip Colorado Spring, Colorado 80917
Contact Person Robert Shaw
Phone 303/574-7780

E/2 NE NE Sec. 34 Twp. 16 S, Rg. 30
4620 Ft. from South Line of Section
330 Ft. from East Line of Section

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

CONTRACTOR: License # 5864
Name GLOBE DRILLING COMPANY, C.
City/State Great Bend, Kansas 67530

Nearest lease or unit boundary line 330 feet
County Lane
Lease Name Sharp B Well # 1-A

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

Ground surface elevation 2851 feet MSL
Domestic well within 330 feet: yes X no
Municipal well within one mile: yes X no
Depth to bottom of fresh water 140
Depth to bottom of usable water 1300
Surface pipe by Alternate: 1 2 X
Surface pipe planned to be set 250+
Conductor pipe required
Projected Total Depth 4600 feet
Formation

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.

Date July 15, 1986 Signature of Operator or Agent Sally R. Byers Title Agent

For KCC Use:

Conductor Pipe Required feet; Minimum Surface Pipe Required 250 feet per Alt.
This Authorization Expires 1-17-87 Approved By 2-17-86

RCH/KCC

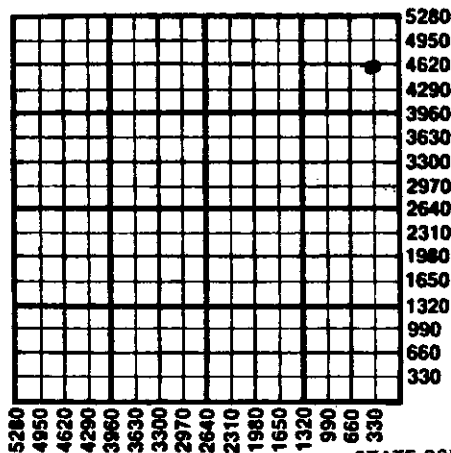
2

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 any usable water to surface within 120 days of spud date.

**A Regular Section of Land
1 Mile = 5,280 Ft.**



RECEIVED

STATE CORPORATION COMMISSION

JUL 17 1986
7-17-86
CONSERVATION DIVISION
Wichita, Kansas

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