

CARD MUST BE TYPED

State of Kansas
NOTICE OF INTENTION TO DRILL
(see rules on reverse side)

CARD MUST BE SIGNED

Starting Date: 9 9 85
month day year

API Number 15- 101-21,217-0000

OPERATOR: License # 5161

SW SE NW Sec 13 Twp 17 S, Rge 29 East
(location) West

Name Palomino Petroleum
Address P.O. Box 18610
City/State/Zip Wichita, KS 67218
Contact Person Bob Watchous
Phone (316) 683-8152

2970 Ft North from Southeast Corner of Section
3630 Ft West from Southeast Corner of Section
(Note: Locate well on Section Plat on reverse side)

CONTRACTOR: License # 5476

Nearest lease or unit boundary line 330 feet.

Name DNB Drilling, Inc.
City/State Wichita, KS 67208

County Lane

Lease Name Sutton "V" Well# 1

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

If OWWO: old well info as follows:

Operator
Well Name
Comp Date Old Total Depth
Projected Total Depth 4600 feet
Projected Formation at TD Miss.
Expected Producing Formations L-KC, Marm., Chero.

Depth to Bottom of fresh water 100 feet

Lowest usable water formation Dakota feet

Depth to Bottom of usable water 1150 feet

Surface pipe by Alternate: 1 2

Surface pipe to be set 240± feet

Conductor pipe if any required feet

Ground surface elevation 2765 est feet MSL

This Authorization Expires 2-28-86

Approved By 8-28-85

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

Date 8-27-85 Signature of Operator or Agent

Bob Watchous

Title Owner

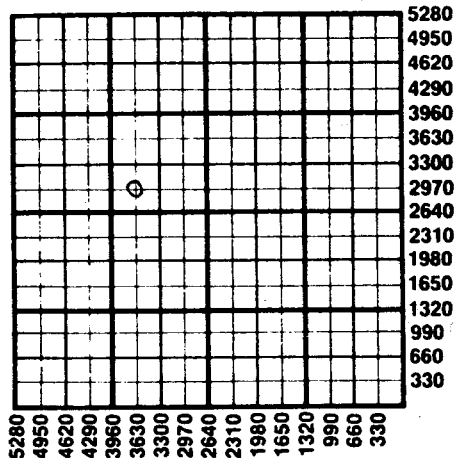
REC FOR KDAE

If run, production casing will be cemented immediately to protect the Dakota.

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 :

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



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 plugging, prepare a plugging plan, then obtain agreement from the appropriate district office for an approved plugging plan.
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.

RECEIVED
STATE CORPORATION COMMISSION

State Corporation Commission of Kansas

Conservation Division

200 Colorado Derby Building

Wichita, Kansas 67202

(316) 263-3238

AUG 28 1985

8-28-85

CONSERVATION DIVISION

Wichita, Kansas