

CARD MUST BE TYPED

State of Kansas  
**NOTICE OF INTENTION TO DRILL**

CARD MUST BE SIGNED

(see rules on reverse side)

Starting Date: ..... 10 ..... 3 ..... 85 .....  
month day year 8-49

API Number 15- 135-22, 937-0000

OPERATOR: License # 5161

. NW . SE . SW Sec 32 . Twp 16 . S, Rge 23 .  East  West  
(location)

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

990 ..... 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  
Name DNB Drilling, Inc.  
City/State Wichita, KS

Nearest lease or unit boundary line ..... 330 ..... feet.  
County Ness  
Lease Name Mishler "M" Well# 2

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 4550 ..... feet  
Projected Formation at TD Miss .....  
Expected Producing Formations Marm Chero. sd.

Depth to Bottom of fresh water ..... 80 ..... feet  
Lowest usable water formation ..... Dakota .....  
Depth to Bottom of usable water ..... 860 ..... feet  
Surface pipe by Alternate: 1  2   
Surface pipe to be set ..... 240+ ..... feet  
Conductor pipe if any required ..... feet  
Ground surface elevation ..... 2460 est. ..... feet MSI.  
This Authorization Expires 4-2-86  
Approved By 10-2-85

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

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

Date 10-2-85 Signature of Operator or Agent Mike Shockley Title Accountant

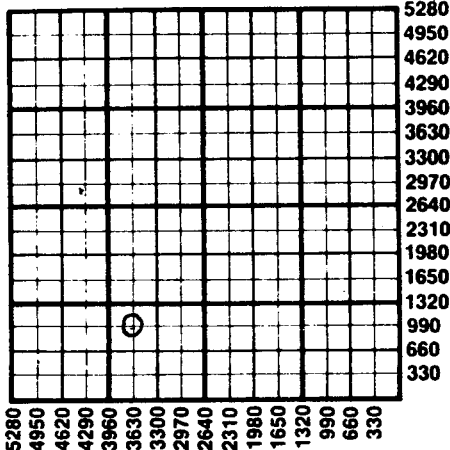
Must be filed with the K.C.C. five (5) days prior to commencing well  
This card void if drilling not started within six (6) months of date received by K.C.C.

RECEIVED  
STATE CORPORATION COMMISSION

10-2-85  
OCT 2 1985

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

CONSERVATION DIVISION  
Wichita, Kansas



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 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.

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