

CARD MUST BE TYPED

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

CARD MUST BE SIGNED

Starting Date: 8 19 85
month day year

API Number 15- 135-22,890-0000

OPERATOR: License # 5161
Name Palomino Petroleum
Address P.O. Box 18610
City/State/Zip Wichita, KS 67218
Contact Person Bob Watchous
Phone (316) 683-8152

SE NW SW Sec 32 Twp 16 S, Rge 23

East
 West

1650 Ft North from Southeast Corner of Section
4290 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 67208

Nearest lease or unit boundary line 330 feet.
County Ness
Lease Name Mishler "M" Well# 1

Domestic well within 330 feet : yes no
Municipal well within one mile : yes no

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

Depth to Bottom of fresh water 80 feet
Lowest usable water formation Dakota
Depth to Bottom of usable water 820 feet
Surface pipe by Alternate : 1 2
Surface pipe to be set 240+ feet
Conductor pipe if any required feet
Ground surface elevation 2445 feet MSL

If OWWO: old well info as follows:

Operator
Well Name
Comp Date Old Total Depth
Projected Total Depth 4510 feet
Projected Formation at TD Miss.
Expected Producing Formations Marm. / Chero. / Miss.

This Authorization Expires 1-30-86
Approved By 7-30-85 *R.C.*

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

RCA for KOHE

Date 7-29-85 Signature of Operator or Agent *Bob Watchous* Title

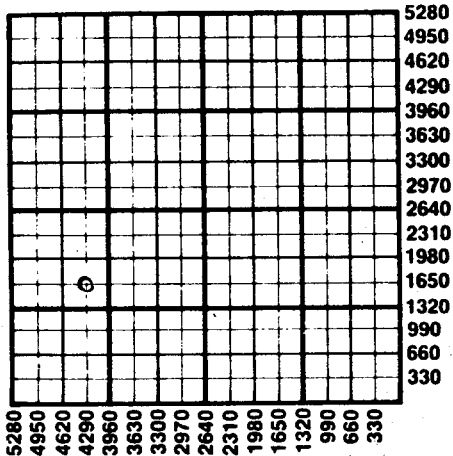
Owner

If run, production string 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.

RECEIVED
STATE CORPORATION COMMISSION
7-30-85
JUL 30 1985

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



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**