

Must be approved by the K.C.C. five (5) days prior to commencing well

Expected Spud Date 11.....1.....89
month day year

.....C. SE... NW. Sec 21: Twp 20... S, Rg 25... X East West

OPERATOR: License # 5652
Name: MUSTANG COMPANIES, INC.
Address: P.O. Drawer 1609
City/State/Zip: Great Bend KS 67530
Contact Person: Jim Meroney
Phone: 316 792-7323

.....3300..... feet from South line of Section
.....3300..... feet from East line of Section
(Note: Locate well on Section Plat Below)

CONTRACTOR: License #: 4958
Name: Mallard Drilling

County: Ness
Lease Name: Klitzke Well #: 1-21
Field Name: Wildcat

Well Drilled For: Well Class: Type Equipment:
 Oil ... Inj ... Infield Mud Rotary
... Gas ... Storage ... Pool Ext. ... Air Rotary
... OAWD ... Disposal Wildcat ... Cable
... Seismic; ... # of Holes

Is this a Prorated Field? yes no
Target Formation(s): Mississippi
Nearest lease or unit boundary: 660
Ground Surface Elevation: N/A feet MSL

If OAWD: old well information as follows:

Operator:
Well Name:
Comp. Date: Old Total Depth

Domestic well within 330 feet: yes no
Municipal well within one mile: yes no
Depth to bottom of fresh water: 330
Depth to bottom of usable water: 750 780
Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 750 800'
Length of Conductor pipe required: -0-
Projected Total Depth: 4550
Formation at Total Depth: Mississippi

Directional, Deviated or Horizontal wellbore? yes no
If yes, total depth location:

Water Source for Drilling Operations:
 well farm pond other
DWR Permit #: APPLY FOR Permit
Will Cores Be Taken?: yes no
If yes, proposed zone:

AFFIDAVIT

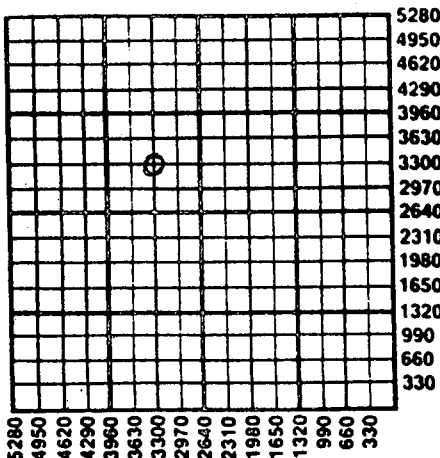
The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.

It is agreed that the following minimum requirements will be met:

1. The appropriate district office shall be notified before setting surface pipe;
2. The minimum amount of surface pipe as specified above shall be set by circulating cement to the top; in all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet into the underlying formation;
3. If the well is dry, a plugging proposal shall be submitted to the district office. An agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
4. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
5. If an Alternate II completion, production pipe shall be cemented from below any usable water to surface within 120 days of spud date. In all cases, notify district office prior to any cementing.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 10-10-89 Signature of Operator or Agent: [Signature] Title: Expl. Manager



Rec'd 10-10-89

FOR KCC USE:

API # 15- 135-23,392-000 LD
 Conductor pipe required None feet
 Minimum surface pipe required 800' feet per Alt.
 Approved by: DPW 10-10-89
 EFFECTIVE DATE: 10-15-89
 This authorization expires: 4-15-90
 (This authorization void if drilling not started within 6 months of effective date.)
 Spud date: _____ Agent: _____

21 20 25W

REMEMBER TO:

- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.