

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Starting Date August 6, 1986
month day year 3:44

API Number 15-135-23, 046-0000

OPERATOR: License # 5804
Name Drilling Ltd. of Colo.
Address 410 17th St., #1140
City/State/Zip Denver, Co. 80202
Contact Person Les Olson
Phone 303.623.6144

..... East
..... W2.NE SW 15 Twp... 16 S, Rg... 26. XWest
..... 4620 Ft. from South Line of Section
..... 3630 Ft. from East Line of Section

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

CONTRACTOR: License # 9087
Name R. & C. Drilling Co., Inc.
City/State Box 296, Hays, Ks. 67601

Nearest lease or unit boundary line 660 feet
County Ness
Lease Name Stecklein Well # 1
Ground surface elevation 2612 feet MSL

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

Domestic well within 330 feet: yes X no
Municipal well within one mile: yes X no
Depth to bottom of fresh water 200
Depth to bottom of usable water 1200
Surface pipe by Alternate: 1 2 X

If OWWO: old well info as follows:
Operator
Well Name
Comp Date Old Total Depth

Surface pipe planned to be set 300
Conductor pipe required n/a
Projected Total Depth 4650 feet
Formation Mississippi

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

Date 8/04/86 .. Signature of Operator or Agent *Calvin Barkman* Title as agent

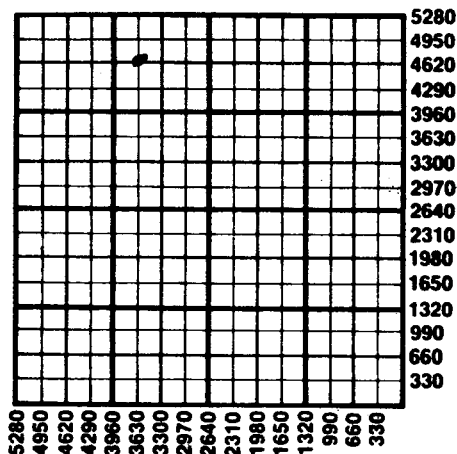
For KCC Use:
Conductor Pipe Required 225 feet; Minimum Surface Pipe Required 225 feet per A1 P 2
This Authorization Expires 2-4-87 Approved By 8-4-86 *R*

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

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



Rec'd 8-4-86

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