NOTICE OF INTENTION TO DRILL

(see rules on reverse side) "CORRECTED INTENT" Expected Spud Date. January 31, 1988 API Number 15— 135-23,215-000 month OPERATOR: License # . . 4981 ...C .SW .SE sec..17.. Twp. 16S. S, Rg. 26.... x West Name Cholla Resources Inc. 66.0..... Ft. from South Line of Section Address P. O. Box 1428 City/State/Zip . Golden . Colorado 80402-1428 (Note: Locate well on Section Plat on reverse side) Contact Person. William Goff Nearest lease or unit boundary line6.60.......feet Phone. (303). 526-1425 County..Ness..... CONTRACTOR: License #8241 Lease Name...Carlson...Harold... Well # ..A-1.... Name ... Emphasis Oil Operations Ground surface elevation 2620...... feet MSL City/State Russell, Kansas 67665 Domestic well within 330 feet: _X no Well Drilled For: Well Class: Type Equipment: Municipal well within one mile: ___yes _X_no X Oil Storage ___ Infield __X Mud Rotary Depth to bottom of fresh water...180.'... ___ Gas ___ Inj _X Pool Ext. ___ Air Rotary Depth to bottom of usable water ... 12.00.'. Kch..... ___ OWWO ___ Expl ___ Wildcat ___ Cable Surface pipe by Alternate: Surface pipe planned to be set 200' If OWWO: old well info as follows: Conductor pipe required . N/A..... Well Name Projected Total Depth .. 4600......feet Comp Date Old Total Depth..... Formation..Mississippian.... I certify that well will comply with K.S.A. 55-101, et seq., plus eventually plugging hole to KCC specifications. Date .. 2/3/88..... Signature of Operator or Agent X Laurens Tile... Agent..... For KCC Use: ORIG. PCVD 1-29-88 * WAS: Surface Pipe: 3501

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:

2. Set surface casing by circulating cement to the top.

A Regular Section of Land 1 Mile = 5.280 Ft.

3. File completion forms ACO-1 with K.C.C. within 120 days of well spud date, 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.

State Corporation Commission of Kansas Conservation Division 200 Colorado Derby Building Wichita, Kansas 67202-1212 (316) 263-3238

