

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

DA

Expected Spud Date... June 24 1988 month day year

API Number 15-135-23,258-0000 Approx. C/ S/2 SW NW Sec. 31 Twp. 17 S, Rg. 23 West 2970 Ft. from South Line of Section 4520 Ft. from East Line of Section

OPERATOR: License # 5238 Name Petroleum, Inc. Address 301 N. Main, Suite 900 City/State/Zip Wichita, KS 67202-1508 Contact Person Terry Naylor Phone 316 793-8471

(Note: Locate well on Section Plat on reverse side) Nearest lease or unit boundary line 660 feet County Ness Lease Name Horchem 'C' Well # 2

CONTRACTOR: License # 5422 Name Abercrombie Drilling, Inc. City/State 801 Union Center, Wichita, KS 67202

Ground surface elevation feet MSL Domestic well within 330 feet: yes no Municipal well within one mile: yes X no

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

Depth to bottom of fresh water 100' Depth to bottom of usable water 900' Surface pipe by Alternate: 1 2 X Surface pipe planned to be set 200 Conductor pipe required Projected Total Depth 4500' feet Formation Mississippi

If OWWO: old well info as follows:

Operator Well Name Comp Date Old Total Depth

I certify that well will comply with K.S.A. 55-101, et seq., plus eventually plugging hole to KCC specifications. Date 6-22-88 Signature of Operator or Agent Title District Landman

For KCC Use:

Conductor Pipe Required feet; Minimum Surface Pipe Required 200 feet per Alt. X 2 This Authorization Expires 12-22-88 Approved By FH 6-22-88

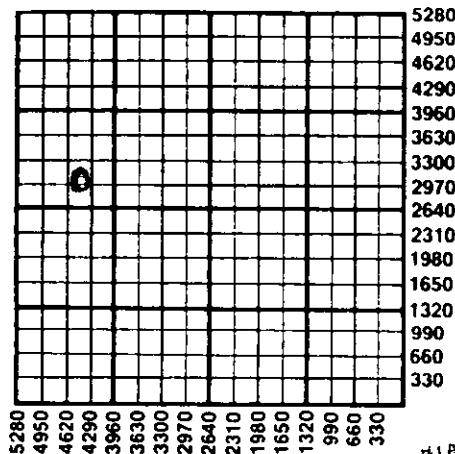
EFFECTIVE DATE: 6-27-88

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 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.

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



RECEIVED
STATE CORPORATION COMMISSION

JUN 22 1988
6-22-88
CONSERVATION DIVISION
Wichita, Kansas

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