

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Expected Spud Date. 6 15 87 month day year

API Number 15- 135-23,133-0000 120' S E/2 SE NW Sec. 24 Twp. 19 S, Rg. 22 East West 3180 Ft. from South Line of Section 2970 Ft. from East Line of Section

OPERATOR: License # 9067 & 6390 Name DaMar Resources, Inc. and McDonald-Wallace Petroleum Co., Inc. Address P.O. Box 70 City/State/Zip Hays, KS 67601 Contact Person Daniel F. Schippers Phone (913) 625-0020

(Note: Locate well on Section Plat on reverse side) Nearest lease or unit boundary line 330 feet County Ness Lease Name Wegele Well # 1

CONTRACTOR: License # 5104 Name Blue Goose Drilling Co., Inc. City/State Great Bend, KS

Ground surface elevation 2250 est. feet MSL Domestic well within 330 feet: yes no X no Municipal well within one mile: yes no X no

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

Depth to bottom of fresh water 300 Depth to bottom of usable water 600 base Kch Surface pipe by Alternate: 1 2 X Surface pipe planned to be set 400 Conductor pipe required N/A Projected Total Depth 4,400 feet Formation Cher.-Miss.

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 6/09/87 Signature of Operator or Agent Title President

For KCC Use: Conductor Pipe Required feet; Minimum Surface Pipe Required 320 feet per Alt. 4 This Authorization Expires 12-11-87 Approved By 6-11-87

* Drilling Pit Permit to be filed by drilling contractor.

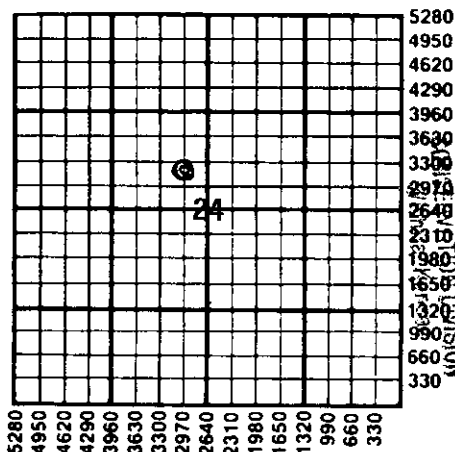
Signature

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.
Submit plugging report (CP-4) to K.C.C. after plugging is completed.
6. Obtain an approved injection docket number before disposing of salt water.
7. Notify K.C.C. within 10 days when injection commences or terminates.
8. 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.



JUN 11 1987
6-11-87

STATE CORPORATION COMMISSION
RECEIVED

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