

EFFECTIVE DATE: 12-06-89

State of Kansas

FORM MUST BE SIGNED

NOTICE OF INTENTION TO DRILL

ALL BLANKS MUST BE FILLED

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

Expected Spud Date December 5, 1989
month day year

C N/2 NW Sec 3: Twp 32 S, Rg 15 East West

OPERATOR: License # 03532
Name: CMX, Inc.
Address: 1026 Union Center Building
City/State/Zip: Wichita, Kansas 67202
Contact Person: Douglas H. McGinness, II.
Phone: (316) 269-9052

4620 feet from South line of Section
3960 feet from East line of Section
(Note: Locate well on Section Plat Below)

CONTRACTOR: License #: 5929
Name: Duke Drilling Company

County: Barber
Lease Name: Ted Alexander Well # 1-3
Field Name: Donald
Is this a Prorated Field? yes X no
Target Formation(s): Mississippi
Nearest lease or unit boundary: 660
Ground Surface Elevation: 1881 feet MSL
Domestic well within 330 feet: yes X no
Municipal well within one mile: yes X no
Depth to bottom of fresh water: 180'
Depth to bottom of usable water: 180'
Surface Pipe by Alternate: X 1 2
Length of Surface Pipe Planned to be set: 360'
Length of Conductor pipe required: None
Projected Total Depth: 4800'
Formation at Total Depth: Arbuckle
Water Source for Drilling Operations:
well X farm pond other
DWR Permit #: _____
Will Cores Be Taken?: yes X no
If yes, proposed zone: _____

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

If OWD: old well information as follows:
Operator: _____
Well Name: _____
Comp. Date: _____ Old Total Depth _____

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

AFFIDAVIT

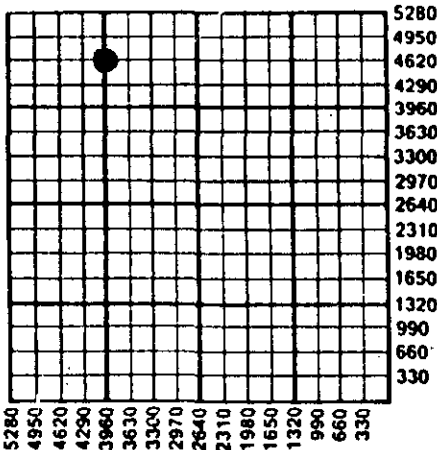
The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.

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: 11-20-89 Signature of Operator or Agent: Dawn Foster Title: Land Agent



RECEIVED
CORPORATION COMMISS
NOV 22 1989
11-22-89
CONSERVATION DIVISION
Wichita, Kansas

FOR KCC USE:
API # 15- 007-22,281-0000
Conductor pipe required NONE feet
Minimum surface pipe required 200' feet per Alt. OX
Approved by: DHW 12-01-89
EFFECTIVE DATE: 12-06-89
This authorization expires: 6-01-90
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

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.