

CARD MUST BE TYPED

State of Kansas

CARD MUST BE SIGNED

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

✓ 10

Expected Spud Date. August 11, ±988 month day year

API Number 15-151-21,895-00-00

OPERATOR: License # 5114 Name NATIONAL DEVELOPMENT COMPANY Address 310 West Central - Suite 117 City/State/Zip Wichita, Kansas 67202 Contact Person Ralph R. Hamilton Phone 316/267-1331

SE NW NW Sec 8 Twp 27 S, Rg 11 4290 Ft. from South Line of Section 4290 Ft. from East Line of Section

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

CONTRACTOR: License # 5929 Name DUKE DRILLING CO., INC. City/State Great Bend, Kansas 67530

Nearest lease or unit boundary line 330 feet County Pratt

Lease Name Shanline Well # 1

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

Ground surface elevation 1824 feet MSL

Domestic well within 330 feet: yes X no

Municipal well within one mile: yes X no

Depth to bottom of fresh water 220

Depth to bottom of usable water 220

Surface pipe by Alternate: 1 X 2

Surface pipe planned to be set 240

Conductor pipe required

Projected Total Depth 3950 feet

Formation

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 August 10, 1988 Signature of Operator or Agent Sally R. Byers Title Office Manager

For KCC Use: Conductor Pipe Required 240' feet; Minimum Surface Pipe Required 240' feet per Alt. 1 X

This Authorization Expires 2-12-89 Approved By LKN 8-12-88

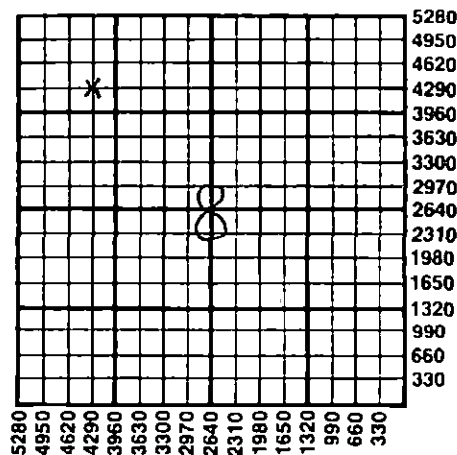
EFFECTIVE DATE: 8-17-88

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.

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



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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