

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Starting Date 4 25 86
 month day year

API Number 15— 151-26784-0000

OPERATOR: License # 9232

SE SW SE Sec. 21 Twp. 26 S, Rg. 12 East
 West

Name Timberline Oil & Gas Corporation

Address 105 E. 8th Street

City/State/Zip Pratt, KS 67124

Contact Person Brant Grote or Roy Knappe, Jr.

Phone (316) 672-9476

330 Ft. from South Line of Section
 1650 Ft. from East Line of Section

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

CONTRACTOR: License # 5138

Name Cougar Drilling Co., Inc.

City/State Wichita, Kansas

Nearest lease or unit boundary line 330 feet

County Pratt

Lease Name Knop "B" Well # 2

Ground surface elevation 1915 feet MSL

Domestic well within 330 feet: _____yes no

Municipal well within one mile: _____yes no

Well Drilled For: Well Class: Type Equipment:

Oil _____ SWD Infield Mud Rotary

_____ Gas _____ Inj _____ Pool Ext. _____ Air Rotary

_____ OWWO _____ Expl _____ Wildcat _____ Cable

Depth to bottom of fresh water 230'

Depth to bottom of usable water 260'

Surface pipe by Alternate: 1 2 _____

Surface pipe planned to be set 290'

Conductor pipe required NA

Projected Total Depth 4400 feet

Formation Arbuckle

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 4/14/86 Signature of Operator or Agent

Brant Grote Title President

For KCC Use:

Conductor Pipe Required feet; Minimum Surface Pipe Required 260 feet per Alt. *6'*

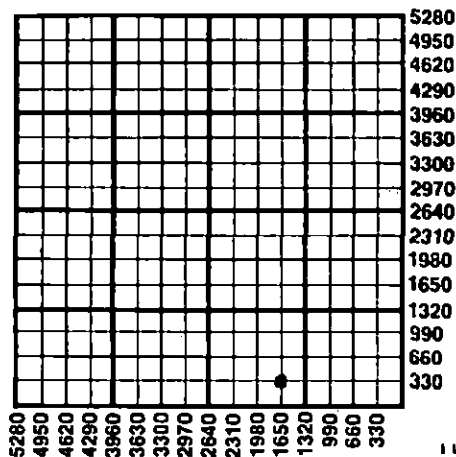
This Authorization Expires 10-15-86 Approved By 4-15-86 *R. Knappe*

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 90 days of well completion, 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

APR 15 1986
4-15-86
CONSERVATION DIVISION
Wichita, Kansas

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