

EFFECTIVE DATE: 12-11-89

State of Kansas

NOTICE OF INTENTION TO DRILL

EXCEPTED Loc.
FORM MUST BE SIGNED
ALL BLANKS MUST BE FILLED

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

Expected Spud Date December 18, 1989
month day year

C. E/2 SW SE Sec 32: Twp 29 S, Rg 13 East
X West

OPERATOR: License # 5056
Name: F. G. HOLL COMPANY
Address: P. O. Box 780167
City/State/Zip: Wichita, Kansas 67278-0167
Contact Person: Elwyn H. Nagel
Phone: (316) 684-8481

660 feet from South line of Section
1650 feet from East line of Section
(Note: Locate well on Section Plat Below)

CONTRACTOR: License #: 5142
Name: Sterling Drilling Company

County: Pratt
Lease Name: Palmquist Well #: 4-32
Field Name: JEM
Is this a Prorated Field? X yes no
Target Formation(s): Mississippian, Viola, Simpson
Nearest lease or unit boundary: .660'
Ground Surface Elevation: Est. 1930 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: 220
Surface Pipe by Alternate: X 1 2
Length of Surface Pipe Planned to be set: 240'
Length of Conductor pipe required: NA
Projected Total Depth: 4790
Formation at Total Depth: Arbuckle
Water Source for Drilling Operations:
X well farm pond other
DWR Permit #: Apply For Permit
Will Cores Be Taken? yes X no
If yes, proposed zone:

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

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

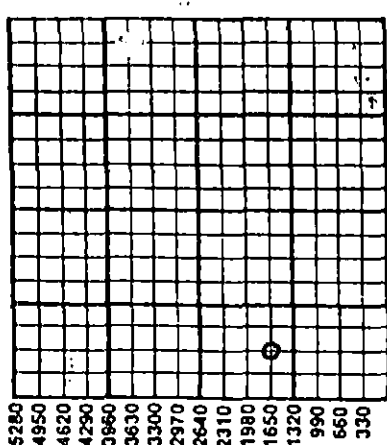
Directional, Deviated or Horizontal wellbore? yes X no
If yes, total depth location:
* Prorated: JEM (VIOLA) DOC 168,195-C
(C-24,861) AFFIDAVIT

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:
- The appropriate district office shall be notified before setting surface pipe;
 - 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;
 - 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;
 - The appropriate district office will be notified before well is either plugged or production casing is cemented in;
 - 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: 10/2/89 Signature of Operator or Agent: Franklin R. Greenbaum Title: Geologist



DEC 4 - 1989
12-04
WICHITA, KANSAS
STATE CORPORATION COMMISSION

FOR KCC USE:
API # 15- 151-21,969-00-00
Conductor pipe required NONE feet
Minimum surface pipe required 240 feet per Alt. DX
Approved by: DPW 12-06-89
EFFECTIVE DATE: 12-11-89
This authorization expires: 6-06-90
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

32
29
13W

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.