

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Expected Spud Date... July 7, 1988 month day year

API Number 15-185-22,534.0000

OPERATOR: License # 3672

SE. NE. NE. Sec. 35 Twp. 21 S, Rg. 12 East West

Name HELM ENERGY COMPANY

Address 6104 East 32nd - Suite 208

City/State/Zip Tulsa, Oklahoma 74135

Contact Person John Helm

Phone 918/665-3740

4290 Ft. from South Line of Section 330 Ft. from East Line of Section

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

CONTRACTOR: License # 5864

Name LOBO DRILLING COMPANY

City/State Great Bend, Kansas 67530

Nearest lease or unit boundary line 330 feet County Stafford

Lease Name Sittner Well # 3

Ground surface elevation feet MSL

Domestic well within 330 feet: yes no

Municipal well within one mile: yes no

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

Depth to bottom of fresh water 200

Depth to bottom of usable water 200

Surface pipe by Alternate: 1 X 2

Surface pipe planned to be set 450

Conductor pipe required

Projected Total Depth 3700 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 July 5, 1988 Signature of Operator or Agent James B. Phillips Title Agent

For KCC Use:

Conductor Pipe Required feet; Minimum Pipe Surface Pipe Required 220 feet per Alt. OX

This Authorization Expires 1-5-89 Approved By RCH 7-5-88

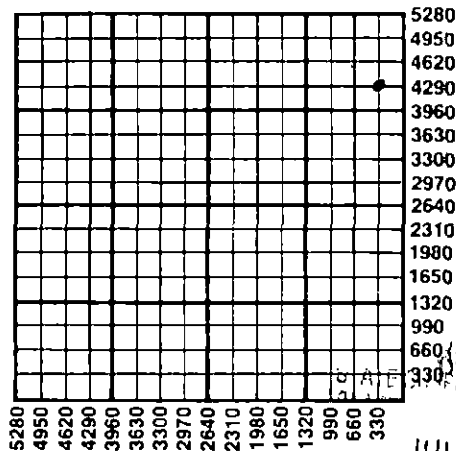
EFFECTIVE DATE: 7-10-88

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.
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.



88-5-L

CONSERVATION DIVISION
Wichita, Kansas

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