

CORRECTION

FORM MUST BE TYPED
FORM C-1 12/88

State of Kansas
NOTICE OF INTENTION TO DRILL

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 September 1, 1989
month day year

* AP. E/2 * 2
SW NE NE Sec 5 Twp S, Rg 18 East
West

OPERATOR: License # 5242
Name: Petroleum Management, Inc.
Address: 400 N. Woodlawn, Suite 201
City/State/Zip: Wichita, KS 67208
Contact Person: Steve O'Neill
Phone: 686-7287

4018 feet from South line of Section
794 feet from East line of Section
(Note: Locate well on Section Plat Below)

CONTRACTOR: License # 5302
Name: Red Tiger Drilling Co.

County: Phillips
Lease Name: Jackson "B" Well #: 5
Field Name: Huffstutter
Is this a Prorated Field? yes no
Target Formation(s): Lansing-Kansas City
Nearest lease or unit boundary: 794'

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

* Ground Surface Elevation: N/A 2228 feet MSL
Domestic well within 330 feet: yes no
Municipal well within one mile: yes no
Depth to bottom of fresh water: 180'
Depth to bottom of usable water: 1300' / 1500'
Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: .250'
Length of Conductor pipe required: _____
Projected Total Depth: 3700'
Formation at Total Depth: Lansing-Kansas City
Water Source for Drilling Operations:
... well ... farm pond other

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

DWR Permit #: _____
Will Cores Be Taken?: yes no
If yes, proposed zone: _____

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

WAS: S-1-18W
Elev. G.L.: N/A.

IS: S-2-18W
AFFIDAVIT G.L. 2228'

MAILED

JUL 31 1989

CONSERVATION DIVISION
Wichita, Kansas

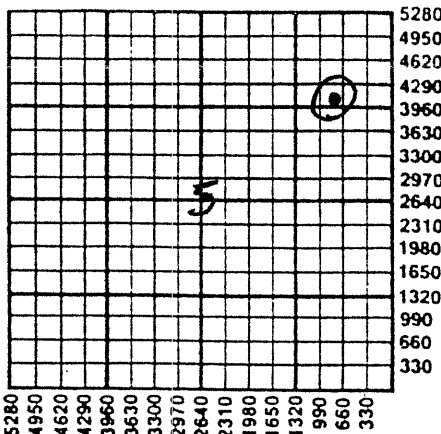
The undersigned hereby affirms that the drilling, completion and eventual plugging of the well will comply with K.S.A. 55-101, et. seq.

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: 7/24/89 Signature of Operator or Agent: [Signature] Title: Petroleum Engineer



RECEIVED
STATE CORPORATION COMMISSION
07-27-89
AUG 2 1989
CONCURRENCE RECEIVED
STATE CORPORATION COMMISSION

FOR KCC USE:
API # 15- 147-20,511-00-00
Conductor pipe required NONE feet
Minimum surface pipe required 200' feet per Alt. 2
Approved by: DPW 7-28-89
EFFECTIVE DATE: 8-02-89
This authorization expires: 1-28-90
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

- REMEMBER TO:
- File Drill Bit 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.