

BATER LEASE
CARD MUST BE TYPED

State of Kansas
NOTICE OF INTENTION TO DRILL
(see rules on reverse side)

CARD MUST BE SIGNED

Starting Date: June 30, 1985
month day year

API Number 15- 185-22,243-0000

OPERATOR: License # 5230

SW..SW..NW.. Sec .6.. Twp 22.. S, Rge 13W East
(location) West

Name PETROLEUM ENERGY, INC.

Address 224 E. Douglas - Suite 350

City/State/Zip Wichita, Kansas 67202

Contact Person Erin Marshall

Phone (316) 265-2661

2970 Ft North from Southeast Corner of Section

4950 Ft West from Southeast Corner of Section

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

CONTRACTOR: License # 5420

Name White & Ellis Drilling

City/State Wichita, Kansas

Nearest lease or unit boundary line 330 feet.

County Stafford

Lease Name BATER Well# 1

Domestic well within 330 feet: yes no

Municipal well within one mile: yes no

Well Drilled For: Well Class: Type Equipment:

OR Swd Infield Mud Rotary

Gas Inj Pool Ext. Air Rotary

OWWO Expl Wildcat Cable

Depth to Bottom of fresh water 125 feet

Lowest usable water formation UNC.

Depth to Bottom of usable water 250 feet

Surface pipe by Alternate: 1 2

Surface pipe to be set 360 feet

Conductor pipe if any required feet

Ground surface elevation feet MSL

This Authorization Expires 12-19-85

Approved By 6-19-85

If OWWO: old well info as follows:

Operator

Well Name

Comp Date Old Total Depth

Projected Total Depth 3750 feet

Projected Formation at TD Arbuckle

Expected Producing Formations Arbuckle

I certify that we will comply with K.S.A. 55-101, et seq., plus eventually plugging hole to K.C.C. specifications.

Date 6/19/85 Signature of Operator or Agent

Erin Marshall

Secretary

MHC/DOHE 6-19-85

RECEIVED
STATE CORPORATION COMMISSION

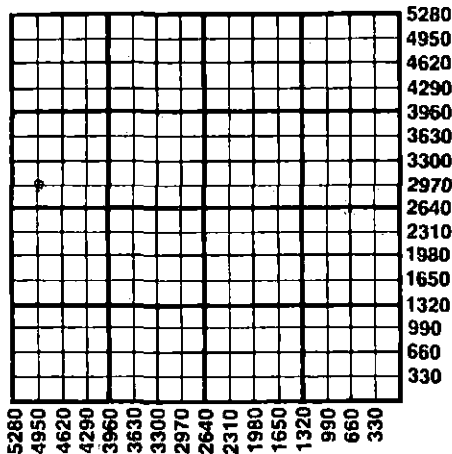
Must be filed with the K.C.C. five (5) days prior to commencing well
This card void if drilling not started within six (6) months of date received by K.C.C.

JUN 19 1985

6-19-85

CONSERVATION DIVISION
Wichita, Kansas

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



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 plugging, prepare a plugging plan, then obtain agreement from the appropriate district office for an approved plugging plan.
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.

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