NOTICE OF INTENTION TO DRILL

State of Kansas
(see rules on reverse side)

Starting Date: August 22, 1985

OPERATOR: License #: 5064
Name: Sierra Petroleum Co., Inc.
Address: P.O. Box 247
City/State/Zip: Wichita, Kansas 67201
Contact Person: Jack L. Yinger
Phone: 264-8394

CONTRACTOR: License #: 5302
Name: Red Tiger Drilling Company
City/State: Wichita, Kansas

Well Drilled For: Oil
Well Class: Infield
Type Equipment: Mud Rotary

API Number 15-20, 480-00-00
Approximate
NW NE SE Sec 23 Twp 2 S, Rge 19 X West
2475 Ft North from Southeast Corner of Section
940 Ft West from Southeast Corner of Section
(Note: Locate well on Section Plat on reverse side)

Nearest lease or unit boundary line 940 feet.
County: Phillips
Lease Name: Kelly
Well#: 4
Domestic well within 330 feet: X no
Municipal well within one mile: X no

Depth to Bottom of fresh water ~100 feet
Lowest usable water formation Dakota
Depth to Bottom of usable water ~1200 feet
Surface pipe by Alternate: 1 2 X approx. 275 feet
Surface pipe to be set
Conductor pipe if any required
Ground surface elevation 2212 feet MSL
This Authorization Expires 1-12-86
Approved By 7-12-85

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

Jack L. Yinger
Vice President

Date 7/11/85
Signature of Operator or Agent

Form C-1 4/84
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 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