CARD MUST BE TYPED

State of Kansas

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

Expected Spud Date: August 18, 1987

OPERATOR: License # 5255
Name: McGinness Oil Company
Address: 1026 Union Center Building
City/State/Zip: Wichita, Kansas 67202
Contact Person: Doug McGinness
Phone: (316) 267-6065

CONTRACTOR: License # 4083
Name: Western Kansas Drilling, Inc.
City/State: Hays, Kansas

Well Drilled For: Oil Storage Infield Mud Rotary
Type Equipment: ___ Gas ___ Inj ___ Pool Ext. ___ Air Rotary
OWWO ___ Expl Wildcat ___ Cable

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., as eventually plugging hole to KCC specifications.

Date: 8/11/87
Signature of Operator or Agent: [Signature]
Title: President

For KCC Use:
Conductor Pipe Required: 250 feet; Minimum Surface Pipe Required: 250 feet per Alt.
This Authorization Expires: 2-11-88
Approved By: [Signature] 8-11-87

CARD MUST BE SIGNED

API Number 15—039-20,820-00-00

.NW N.W. S.E. Sec. 11. Twp. 3... S. Rg. 27... X West
2310... Ft. from South Line of Section
2310... Ft. from East Line of Section
(Note: Locate well on Section Plat on reverse side)

Nearest lease or unit boundary line: 330 feet
County: Decatur
 Lease Name: Bailey
 Well #: 1-11...

Ground surface elevation: N/A feet MSL
 Domestic well within 330 feet: yes no
 Municipal well within one mile: yes no
 Depth to bottom of fresh water: 200'
 Depth to bottom of usable water: 1550'
 Surface pipe by Alternate: 1 2 X
 Surface pipe planned to be set: 250'
 Conductor pipe required: None
 Projected Total Depth: 3900'
 Formation: Tight Hole

2-11-88

President

Y
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.

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