NOTICE OF INTENTION TO DRILL

Effective Date: 10-27-90

State of Kansas

Must be approved by the K.C.C. five (5) days prior to commencing well

Expected Spud Date 10 25 90

OPERATOR: License # 5252
Name: M. P. NIXON OPERATIONS, INC.
Address: 207 W 12TH
City/State/Zip: HAYS KS 67601
Contact Person: DAN A. NIXON
Phone: 913-628-3834

CONTRACTOR: License #: 4083
Name: WESTERN KANSAS DRILLING INC

Well Drilled For:

Oil ...
Gas ...
CWA ...
Seismic; ... # of Holes

Well Class: ...
Type Equipment:

X Oil ...
Inj ...
C Infield ...
M Mud Rotary

...
Gas ...
Storage ...
Disposal ...
...
...
 Depth to bottom of fresh water: ...

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

Directional, Deviated or Horizontal wellbore? yes ...
If yes, proposed zone: ...

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this 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: 10-19-90 Signature of Operator or Agent: President

FOR KCC USE:

API # 15-142-30-525-00-00
Conductor pipe required
Minimum surface pipe required
Approved by: 10-27-90
This authorization expires: 10-22-90

REMEMBER TO:

- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- Submit plugging report (CP-4) after plugging is completed;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Obtain written approval before disposing or injecting salt water.

Mail to: Conservation Division, 200 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1286.
PLAT OF ACREAGE ATTRIBUTABLE TO A WELL

State Corporation Commission, Conservation Division
200 Colorado Derby Bldg. Wichita, Kansas 67202

OPERATOR R P NIXON OPERATIONS INC
LEASE ELSIE-JACKSON
WELL NUMBER 12
FIELD STONEMAN

LOCATION OF WELL: S/2 N/2 NW
4290 feet north of SE corner
3960 feet west of SE corner
Sec. 20 T 4S R 18 NW
COUNTY PHILLIPS

IS SECTION REGULAR IRREGULAR?
IF IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.

NO. OF ACRES ATTRIBUTABLE TO WELL 10
DESCRIPTION OF ACREAGE N/2 N/2
see attached

NOTE: If plat depicted is insufficient for your circumstances, you may attach your own scaled or surveyed plat.

PLAT

SEE ATTACHED

In plotting the proposed location of the well, you must show:

1) The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding partial sections, 4 sections, 16 sections, etc.;

2) the well's location relative to the location of other wells producing from the same common source of supply in adjoining drilling units, pursuant to K.A.R. 82-3-108, 82-3-207, 82-3-312, or special orders of the Commission;

3) the distance of the proposed drilling location from the section's east and south lines; and

4) the distance to the nearest lease or unit boundary line.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Signature of Operator or Agent

Date 10-19-90 Title President