NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Starting Date ........................................... 12 15 85

OPERATOR: License # ........................................... 9067
Name .................................................. DaMar Resources, Inc.
Address .................................................. P. O. Box 70
City/State/Zip ............................................... Hays, KS 67601
Contact Person ............................................ Daniel F. Schippers
Phone .................................................. (913) 625-0020

CONTRACTOR: License # ........................................... 5135
Name .................................................. John O. Farmer, Inc.
City/State .................................................. Russell, KS 67665

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

If OWWO: old well info as follows:
Operator ..................................................
Well Name ..................................................
Comp Date ..................................................
Old Total Depth ..........................................

API Number 15— 147-20, 492-00-00

E/2 NW SW Sec. 36 Twp. 4 S, Rg. 20 X West
1980 Ft. from South Line of Section
4290 Ft. from East Line of Section

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

Nearest lease or unit boundary line ....................... 330 feet
County .................................................. Phillips
Lease Name .................................................. Lynch
Well # .................................................. 1

Ground surface elevation .................................. 1925 est. feet MSL
Domestic well within 330 feet: yes X no
Municipal well within one mile: yes X no

Surface pipe by Alternate: .................................. 1 2 X

Depth to bottom of fresh water .................... 200...
Depth to bottom of usable water .................. 1100...
Surface pipe planned to be set ....................... 240...
Projected Total Depth ................................... 3450...
Formation .................................................. Lansing

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

Date .................................................. 12/4/85
Signature of Operator or Agent .......................... [Signature]
Title .................................................. President

For KCC Use:
Conductor Pipe Required .................. feet; Minimum Surface Pipe Required ...... 240...
This Authorization Expires ................... 6-5-86
Approved By .................................................. 12-5-85

(No other name)

(No specific instruction)

(No specific instruction)
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 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
(316) 263-3238