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

Starting Date: 8 25 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: Oil Gas OWWO
Well Class: Swd Inj Expl
Type Equipment: Mud Rotary Pool Ext. Wildcat

API Number 15-147-20,482-00-00
NE SE NW Sec. 36 Twp. 4 S, Rge. 20 X West

Ft North from Southeast Corner of Section 3630
Ft West from Southeast Corner of Section 2970
(Note: Locate well on Section Plat on reverse side)

Nearest lease or unit boundary line 330 feet.
County Phillips
Lease Name Donahey
Well # 2
Domestic well within 330 feet: X no
Municipal well within one mile: X no

Depth to Bottom of fresh water 200 feet
Lowest usable water formation Dakota
Depth to Bottom of usable water 1100 feet
Surface pipe by Alternate: 2
Surface pipe to be set 240 feet
Conductor pipe if any required none feet
Ground surface elevation 1925 est. feet MSL
This Authorization Expires 8-7-85
Approved By RCH for KONE

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

Date 8-6-85 Signature of Operator or Agent
Title President

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