NOTICE OF INTENTION TO DRILL

State of Kansas

Expected Spud Date: AUGUST 12 1988

OPERATOR: License # 5923
Name: AMERICAN PETROLEUM COMPANY, INC.
Address: 3500 NORTH ROCK ROAD, BLDG 1300
City/State/Zip: WICHITA, KANSAS 67226
Contact Person: JIM BARVAIS
Phone: (316) 636-5273

CONTRACTOR: License # 8241
Name: EMPHASIS OIL OPERATIONS
City/State/Zip: RUSSELL, KANSAS 67665

Well Drilled For: Oil  Storage  Infield  Mud Rotary  Surface pipe by Alternate:
Gas  Inj  Pool Ext.  Air Rotary  
OWWO  Expl  Wildcat  Cable  

If OWWO: old well info as follows:
Operator
Well Name
Comp Date

I certify that well will comply with K.S.A. 55-101, et seq., plus eventually pluging hole to KCC specifications.
Date: 7-26-88 Signature of Operator or Agent: JAMES T. BARVAIS
Title: PRESIDENT

For KCC Use:
Conductor Pipe Required: feet; Minimum Surface Pipe Required: feet per Alt.
This Authorization Expires: 1-26-89
Approved By: LKM 7-26-88

EFFECTIVE DATE: 7-31-88

APPROX. SE NW. NW. Sec. 15. Twp. 4 S. Rg. 19 X East
4447
4471
Ft. from South Line of Section
Ft. from East Line of Section
(Note: Locate well on Section Plat on reverse side)
Nearest lease or unit boundary line: 809 feet
County: PHILLIPS
Lease Name: MORGAN
Well #: 2
Ground surface elevation: 2071 feet MSL
Domestic well within 330 feet: Yes No
Municipal well within one mile: Yes No
Depth to bottom of fresh water: 801 feet
Depth to bottom of usable water: 900 - 950
Surface pipe planned to be set: 200 feet
Conductor pipe required: NONE
Projected Total Depth: 3450 feet
Formation: LKC

1  2 X
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