NOTICE OF INTENTION TO DRILL

TO BE FILED WITH THE STATE CORPORATION COMMISSION
PRIOR TO COMMENCEMENT OF WELL

1. Operator  Kansas-Nebraska Natural Gas Company, Inc.
              P. O. Box 15265
              Lakewood, Colorado  80215

2. Contractor  Exeter
              2300 Lincoln Center Building
              Denver, Colorado  80264

3. Type of Equipment:  Rotary  X  Cable Tool
4. Well to be Drilled for:  Oil  X  Gas  Input  Other

5. Depth of Deepest Fresh Water within 1 mile  None
6. Depth of Municipal Water Well within 3 miles  None
7. Depth to Protect all Fresh Water  80
8. Amount of Surface Casing to be set  120
9. Alternate No. 1  No. 2  X

REMARKS: Will set in Pierre Shale

API Number  15-023-20,075  (For office use only)  05-00
Starting Date  August 2, 1978
County  Cheyenne
Sec. 16  Twp. 4  S  Rge. 40  W
Spot Location  1000'FNL, 1000'FWL  NW/4
Nearest Lease Line  1000  ft.
Lease Name  Harkins
Well No.  1-16
Est. Total Depth  1370  ft.

OPERATOR STATES THAT HE WILL COMPLY WITH K. S. A. 55-128

Signature of Operator  [Signature]