NOTICE OF INTENTION TO DRILL

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

1. Operator: Halliburton Oil Producing Company
   Address: 520 Cameron Bldg., Oklahoma City, Oklahoma

2. Lease name: Derby
   Well No.: 1
   County: Decatur

3. Well Location: SW, NE  SW
   Sec.: 4
   Township: 5S
   Range: 28W

4. Well to be drilled: 330 ft. from nearest lease line.

5. Drilling Contractor: Paine Drilling Co., Inc.
   Address: Box D, Hill City, Kansas

6. Type of equipment: Rotary X, Cable Tool □
   Approx. date operation to begin: 5-16-□ □ 1968

7. Well to be drilled for Oil X, Gas □, Disposal □, Input □
   Estimated Total Depth of Well: 4100 ft.

8. Depth of deepest fresh water well within one mile of location: ------ft.
   If none exists, write NONE: None

9. Ground elevation at location is approx. ------ ft. higher or ------ ft. lower than ground elevation at water well.

10. Depth of the deepest municipal water well within three miles of location: ------- ft.
    If none exists, write NONE: None

11. Operator states that he will set surface pipe at least 25 ft. below all Tertiary or unconsolidated deposits and, taking into consideration differences in ground elevations, that the minimum depth necessary, to the best of his knowledge and belief, to protect all fresh water zones is _______ ft. and operator agrees to set surface pipe at this location to a depth of not less than _______ ft. Alternate 1 X, Alternate 2 □.

REMARKS:

Signature of Operator:

George C. Schneider

For Halliburton Oil Producing Company
State Corporation Commission of Kansas
Conservation Division
500 Insurance Building
212 North Market
Wichita, Kansas 67202

(IF PREFERRED, MAIL IN ENVELOPE)