NOTICE OF INTENTION TO DRILL

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

1. Operator  Nielson Enterprises Inc.
Address  1675 Broadway; Suite 2770; Denver, CO  80202

2. Contractor  Rains & Williamson
Wichita, Kansas 67202
435 Page Ct. Bldg; 220 W. Douglas

3. Type of Equipment: Rotary  X  Cable Tool

4. Well to be Drilled for: Oil  X  Gas
Disposal  Input  Other

5. Depth of Deepest Fresh Water within 1 mile  200 ft.
6. Depth of Municipal Water Well within 3 miles  none ft.
7. Depth to Protect all Fresh Water  550 ft.
8. Amount of Surface Casing to be set  350 ft.

9. Alternate No. 1  No. 2  X

REMARKS: FEE PAID 10-30-81
PC# 8341

API Number 15-023-20,185
(For office use only)

Starting Date  December 1, 1981
County  Cheyenne
Sec. 36  Twp. 5  S  Rge. 37  W
Spot Location  C SW SE
Nearest Lease Line  660 ft.
Lease Name  McKee "E"
Well No.  #1

Est. Total Depth  4850 ft.

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

Signature of Operator  [Signature]
State Corporation Commission of Kansas
Conservation Division
245 North Water
Wichita, Kansas 67202

(IF PREFERRED, MAIL IN ENVELOPE)