NOTICE OF INTENTION TO DRILL

Must be approved by the K.C.C. five (5) days prior to commencing well

Expected Spud Date: November 28, 1989

OPERATOR: License #: 5205
Name: Mid-Continent Energy Corp.
Address: 155 N. Market, Suite 200
City/State/Zip: Wichita, KS 67202
Contact Person: Bradley R. Buehler
Phone: 316-265-9501

CONTRACTOR: License #: 3300
Name: Lloyd Drilling, Co.

Well Drilled For: [X] Oil ..., [X] Mud Rotary
... Gas, Storage ..., [X] Pool Ext. ..., [X] Air Rotary
... O&WO ..., Disposal ..., [X] Wildcat ..., [X] Cable
... Seismic; ... # of Holes

If O&WO: old well information as follows:
Operator: ........................................
Well Name: ....................................
Comp. Date: ................................. Old Total Depth: ...........

Directional, Deviated or Horizontal wellbore? ... yes [X], no
If yes, total depth location: ...........................................

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.

It is agreed that the following minimum requirements will be met:
1. The appropriate district office shall be notified before setting surface pipe;
2. The minimum amount of surface pipe as specified above shall be set by circulating cement to the top; in all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet into the underlying formation;
3. If the well is dry, a drilling proposal shall be submitted to the district office. An agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
4. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
5. If an Alternate II completion, production pipe shall be cemented from below any usable water to surface within 120 days of spud date. In all cases, notify district office prior to any cementing.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 11-27-89 Signature of Operator or Agent: Bradley R. Buehler, Vice President

FOR KCC USE:

API # 15-163-23071-050-60
Conductor pipe required None
Minimum surface pipe required None feet per Alt. 10 feet
EFFECTIVE DATE: 11-27-89
This authorization expires: 5-22-90
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: ________ Signature: _______

REMEMBER TO:
- File Drill Pit Application (form DCP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.

Mail to: Conservation Division, 200 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1286.