NOTICE OF INTENTION TO DRILL
(see rules on reverse side)

Starting Date .............................................
May 14, 1987.............................................

OPERATOR: License # ..................................
5242..................................................
Name ..................................................
Petroleum Management, Inc..................................
Address ..................................................
400 N. Woodlawn, Suite 201..........................
City/State/Zip ...........................................
Wichita, KS 67208......................................
Contact Person ........................................
Dale Silcott...........................................
Phone ..................................................
686-7287..............................................

CONTRACTOR: License # ................................
5302..................................................
Name ..................................................
Red Tiger Drilling Co..................................
City/State .............................................
Wichita, KS...........................................

Well Drilled For: Well Class: Type Equipment:

[ ] Oil [ ] SWD [ ] Infield [ ] Mud Rotary
[ ] Gas [ ] Inj [ ] Pool Ext. [ ] Air Rotary
[ ] OWWO [ ] Expl [ ] Wildcat [ ] Cable

If OWWO: old well info as follows:
Operator .............................................
Well Name .............................................
Comp Date .............................................
Old Total Depth ......................................

API Number 15— 065-22,374-00-00 ..............

SE. .SW .SE Sec. 11. Twp. 6. S. Rg. 21. X West
330 ................................. Ft. from South Line of Section
1650 ................................. Ft. from East Line of Section
(Note: Locate well on Section Plat on reverse side)

Nearest lease or unit boundary line ................. 330 feet
County .............................................. Graham
Lease Name ...........................................
Holmquist-Lagerberg..................................
Well # .................................................. 3
Ground surface elevation .......................... 2100 feet MSL

Domestic well within 330 feet:
[ ] yes [ ] no

Municipal well within one mile:
[ ] yes [ ] no

Surface pipe by Alternate: 1 2 X

Depth to bottom of fresh water ............................................. 25 ft

Depth to bottom of usable water .......................... 1100 ft

Surface pipe planned to be set .......................... 250 ft

Projected Total Depth .................................. 3900 feet

Formation ............................................. Granite

I certify that well will comply with K.S.A. 55-101, et seq., plus eventually plugging hole to KCC specifications.

[ ] cementing will be done immediately upon setting production casing

Date ............................................. 5/6/87
Signature of Operator or Agent ...........................
Title ..................................................

Vice President

For KCC Use:
Conductor Pipe Required .......................... feet; Minimum Surface Pipe Required .......................... feet per Alt.

This Authorization Expires ................................
11/11/87 ..............................................
Approved By ........................................
5-7-11-87 .............................................
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 90 days of well completion, 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
(316) 263-3238