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

Expected Spud Date.............. 02. 04. 88

OPERATOR: License #............. 5242
Name............................ Petroleum Management, Inc.
Address.......................... 400 N. Woodlawn, Suite 201
City/State/Zip.................... Wichita, Kansas 67208
Contact Person................... R. Gregory Williams
Phone............................ 316/686-7287

CONTRACTOR: License #............ 5302
Name............................ Red Tiger Drilling Company
City/State......................... Wichita, Kansas

Well Drilled For: Well Class: Type Equipment: Approx.
- Oil  Storage  Infield  Mud Rotary
- Gas  Inj  Pool Ext.  Air Rotary
- OWWO  Expl  Wildcat  Cable

X Oil  X Storage  F Infield  X Mud Rotary

API Number 15—065-22,434-000

NW SE NW  Sec. 14  Twp. 6  S, Rg. 21  X
3655 .......................... Ft. from South Line of Section
3695 .......................... Ft. from East Line of Section

(Note: Locate well on Section Plat on reverse side)

Nearest lease or unit boundary line ............. 1585 feet

County............................ Graham

Lease Name....................... Holmquist/Lagerberg Well # 5

Ground surface elevation ........... 2200 (est.) feet MSL

Domestic well within 330 feet: X yes  X no

Municipal well within one mile: X yes  X no

Depth to bottom of fresh water 100'!

Surface pipe by Alternate: 1  2

Surface pipe planned to be set 250'

Conductor pipe required

Projected Total Depth .............. 3800' feet

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

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

Date .... [ ]-21-88 .... Signature of Operator or Agent ............... Title ............

For KCC Use:

Conductor Pipe Required ............. feet; Minimum Surface Pipe Required ............. feet per Alt.

This Authorization Expires ............. 7-22-88

Approved By ...................... 1-22-88

EFFECTIVE DATE: 1-27-88
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 120 days of well spud date, 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 67202-1212
(316) 263-3238