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

September 13, 1985

OPERATOR: License # 5242
Petroleum Management, Inc.
400 N. Woodlawn, Suite 201
Wichita, KS 67208

Contact Person
Dale Silcott
Phone 686-7287

CONTRACTOR: License # 5302
Red Tiger Drilling Company
Wichita, KS 67202

API Number 15—065-22,227-00-00

SE NW NE Sec. 12 Twp. 6 S Rg. 21 X West
42.90 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 Hoylman Well # 3
Ground surface elevation 2221 feet MSL
Domestic well within 330 feet: yes X no
Municipal well within one mile: yes X no
Surface pipe by Alternate: 1 X 2
Depth to bottom of fresh water 550 ft 100'
Depth to bottom of usable water 125 ft
Surface pipe planned to be set 360 ft
Projected Total Depth 3800 feet
Formation Arbuckle

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

Date 8/16/85 Signature of Operator or Agent Dale Silcott Title Vice President

For KCC Use:
Conductor Pipe Required 219-860 feet; Minimum Surface Pipe Required feet per Alt. 1 2
This Authorization Expires 2-19-86 Approved By RCH 8-19-85
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.

If an alternate 2 completion, cement in the production pipe from below any usable water to surface within 120 days of spud date.