NOTICE OF INTENTION TO DRILL

State of Kansas

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

Expected Spud Date: 8
month
11
day
1997
year

OPERATOR: License # 32016
Name: Pioneer Resources.
Address: RR2, Box 47A,
City/State/Zip: Phillipsburg, KS 67661
Contact Person: Rodger D. Wells
Phone: 913-543-5566

CONTRACTOR: License # 55555
Name: Shields Drilling Co.

Well Drilled For: X Oil 
Enh Rec Infield X Mud Rotary
Gas Storage Pool Ext. Air Rotary
GWWD Disposal X Wildcat Cable
Seismic # of Holes Other
Other

If GWWD: old well information as follows:
Operator:
Well Name:
Comp Date:
Old Total Depth:

Directional, Deviated or Horizontal wellbore? yes X no
If yes, true vertical depth:
Bottom Hole 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. Notify the appropriate district office prior to spudding of well;
2. A copy of the approved notice of intent to drill shall be posted on each drilling rig;
3. The minimum amount of surface pipe as specified below 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;
4. If the well is a dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an alternate 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: 7-21-97 Signature of Operator or Agent: Rodger D. Wells Title: Owner

FOR KCC USE:
API # 157
Conductor pipe required: None
Minimum surface pipe required: 400 feet per Alt. x 1
Approved by: JF 7-24-97

This authorization expires: 1-24-98
(This authorization void if drilling not started within 6 months of effective date)
Spud date: Agent:

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

Mail to: Conservation Division, 200 Tabor-Deerby Building, 202 W. First St., Wichita, Kansas 67202-1286.
IN ALL CASES PLAT THE INTENDED WELL ON THE PLAT BELOW
PLAT OF ACREAGE ATTRIBUTABLE TO A WELL IN A PRORATED OR SPACED FIELD

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat by showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API NO. 15-
OPERATOR Pioneer Resources
LEASE Pakkebier
WELL NUMBER 1
FIELD W/C

NUMBER OF ACRES ATTRIBUTABLE TO WELL 160
QTR/QTR/QTR OF ACREAGE NW - NW - NE

LOCATION OF WELL: COUNTY Graham
330 feet from south/north line of sect
2310 feet from east/west line of sect
SECTION 14 TWP 6S RG 22W

IS SECTION X REGULAR or IRREGULAR
If section is irregular, locate well from near corner boundary.
Section corner used: NE NW SE SW

PLAT
(Show location of the well and shade attributable acreage for prorated or spaced wells
(Show footage to the nearest lease or unit boundary line.)

In plotting the proposed location of the well, you must show:

1) The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.;
2) the distance of the proposed drilling location from the section's south/north east/west lines; and
3) the distance to the nearest lease or unit boundary line.