NOTICE OF INTENT TO DRILL
Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date: 8-10-02

OPERATOR: License #: 30076
Name: A & A PRODUCTION
Address: PO BOX 100
City/State/Zip: HILL CITY KS 67642
Contact Person: ANDY ANDERSON
Phone: 785-421-6266

CONTRACTOR: License #: 30076
Name: A & A PRODUCTION

Well Drilled For:
- [x] Oil
- [ ] Gas Storage
- [x] wells
- [ ] Disposal
- [ ] Seismic: # of Holes

Well Class: [ ] Infield
- [x] Storage
- [ ] Pool
- [x] X Wildcat
- [ ] Air Rotary
- [ ] Cable

Type Equipment:
- [x] Mud Rotary
- [ ] Other

If OWWO: old well information as follows:
Operator:
Well Name:
Original Completion Date:
Original Total Depth:
Directional, Deviated or Horizontal wellbore? [x] Yes
If Yes, true vertical depth:
Bottom Hole Location:
KCC DKT #:

Spot:
- [x] NE
- [ ] SW
- [ ] SE
- [ ] NW

Sec.: 14
Twp.: 6
R.: 25
N.E. 1/4
W. 1/2

Is SECTION X Regular Irregular?
(Note: Locate well on the Section Plat on reverse side)

County: GRAHAM
Lease Name: SCHON
Well #: 1
Field Name:
Is this a Drilled / Spaced Field?[ ] Yes [x] No
Target Formation(s):
Nearest Lease or Unit boundary:
Ground Surface Elevation:
Water well within one-quarter mile:
Public water supply well within one mile:
Depth to bottom of fresh water:
Depth to bottom of usable water:
Surface Pipe by Alternate:
Length of Surface Pipe Planned to be set:
Length of Conductor Pipe required:
Projected Total Depth:
Formation at Total Depth:
Water Source for Drilling Operations:
- [ ] Well
- [ ] Farm Pond
- [ ] Other

DWR Permit #:
(Note: Apply for Permit with DWR [ ]
Will Cores be taken?
If Yes, proposed zone:

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 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 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: 7/31/02
Signature of Operator or Agent: [Signature]

For KCC Use ONLY
API #: 15
Conductor pipe required: NONE
Minimum surface pipe required: 200 feet per ft
Approved by: RSP 8.5.02
This authorization expires: 2-5-03

Remember to:
- File Drill Pit Application (form CDP-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: KCC Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202