NOTICE OF INTENTION TO DRILL

TO BE FILED WITH THE STATE CORPORATION COMMISSION PRIOR TO COMMENCEMENT OF WELL

1. Operator ____________________________ Baird Oil Company
   Address ____________________________ Box 7, Logan, Kansas 67646

2. Contractor ____________________________ Tornado Drilling Company
   Address ____________________________ P.O. Box 706, Enid, OK 73701

3. Type of Equipment: Rotary _______ X ______ Cable Tool
   Disposal ____________ Input ____________ Other

4. Well to be Drilled for: Oil _______ X ______ Gas
   Depth of Deepest Fresh Water within 1 mile _______ 230 _______ ft.
   Depth of Municipal Water Well within 3 miles _______ None _______ ft.
   Depth to Protect all Fresh Water _______ 250 _______ ft.
   Amount of Surface Casing to be set _______ approx. 329' _______ ft.
   Alternate No. 1 _______ No. 2 _______ X

REMARKS: ____________________________________________________________

OPERATOR STATES THAT HE WILL COMPLY WITH K. S. A. 55-128

API Number _______ 15-179-20, 511 _______ (For office use only) 00-00

Starting Date _______ June, 22, 1978

County ____________ Sheridan ____________

Sec. 24 ____________ Twp. 6 ____________ S Rge. 26 ____________ W

Spot Location _______ 200' SE of NW, SW, SE

Nearest Lease Line _______ 200' _______ ft.

Lease Name _______ Marx ____________

Well No. _______ 1 ____________

Est. Total Depth _______ 3950' _______ ft.

Signature of Operator _______ Baird Oil Company
by Stan Phillips ____________________________
Sect. ____________ Tornado Drilling Co.
State Corporation Commission of Kansas
Conservation Division
245 North Water
Wichita, Kansas 67202

(If preferred, mail in envelope)