NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Starting Date: October 15, 1986

OPERATOR: License # 5267
Name: K.E. Petroleum, Inc.
Address: 100 S. Main, Suite 300, Hardage Ctr.
City/State/Zip: Wichita, Kansas 67202
Contact Person: Wayne L. Brinegar
Phone: 316-264-4301

CONTRACTOR: License # 5422
Name: Abercrombie Drilling, Inc.
City/State: Wichita, KS

Well Drilled For:

- X Oil
- Gas
- CGW

Well Class:

- SWD
- Infield
- Pool Ext.

Type Equipment:

- X Mud Rotary
- Air Rotary
- Wildcat

API Number 15: 065-22,328 0000

...NW ...SW ...SE Sec. 13, Twp. 7, S, Rg. 21, X West
990' Ft. from South Line of Section 13
921' Ft. from East Line of Section 13
(Note: Locate well on Section Plat on reverse side)

Nearest lease or unit boundary line: 330 feet
County: Graham
Lease Name: Hamel
Ground surface elevation: 2103 feet MSL
Domestic well within 330 feet: yes
Municipal well within one mile: yes
Surface pipe by Alternate: 2
Depth to bottom of fresh water: 50'
Depth to bottom of usable water: 950'
Surface pipe planned to be set: 225'
Projected Total Depth: 3650 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: 10/6/86
Signature of Operator or Agent: Wayne L. Brinegar
Title: Vice President

For KCC Use:
Conductor Pipe Required: 200 feet; Minimum Surface Pipe Required: 200 feet per Alt.
This Authorization Expires: 4-6-87
Approved By: 10-6-86
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.

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
(316) 263-3238