NOTICE OF INTENTION TO DRILL

State of Kansas
(see rules on reverse side)

Expected Spud Date: APRIL 17, 1987

API Number: 121-26,803-00-00  East

OPERATOR: License #: #5115
Name: REESE EXPLORATION, INC.
Address: 5540 RAYTOWN ROAD
City/State/Zip: RAYTOWN, MO 64133
Contact Person: PATTIE
Phone: 816-356-1970

CONTRACTOR: License #: 9545
Name: K-O DRILLING
City/State: ROUTE 1, LEROY, KS 66857

Well Drilled For:  Well Class:  Type Equipment:

<table>
<thead>
<tr>
<th>Oil</th>
<th>Storage</th>
<th>X</th>
<th>Infield</th>
<th>X</th>
<th>Mud Rotary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gas</td>
<td>Inj</td>
<td>Pool Ext.</td>
<td>Air Rotary</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OWWO</td>
<td>Expl</td>
<td>Wildcat</td>
<td>Cable</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

If OWWO: old well info as follows:

<table>
<thead>
<tr>
<th>Operator</th>
<th>Well Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comp Date</td>
<td>Old Total Depth</td>
</tr>
</tbody>
</table>

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

Date: 4/27/87 Signature of Operator or Agent: [Signature]

Title: AS AGENT

For KCC Use:

Conductor Pipe Required: 100 feet; Minimum Surface Pipe Required: 40 feet per Alt. 1

This Authorization Expires: 10-27-87

Approved By: [Signature]
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 120 days of well spud date, 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. In 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 67202-1212
(316) 263-3238