NOTICE OF INTENTION TO DRILL

State of Kansas

Starting Date: 9-10-85

OPERATOR: License # 9123
Name: Diamond Shamrock Exploration Company
Address: P.O. Box 400
City/State/Zip: Amarillo, Texas 79188-0001
Contact Person: James Skees
Phone: 806/378-5681

CONTRACTOR: License #
Name: Not available at this time

Well Drilled For: Well Class: Type Equipment:
X Oil X Swd X Infield X Mud Rotary
X Gas X Inj X Pool Ext. X Air Rotary
OWWO X Expl X Wildcat X Cable

If OWWO: old well info as follows:
Operator
Well Name
Comp Date Old Total Depth
Projected Total Depth
Projected Formation at TD
Expected Producing Formations

API Number 163-72, 7540000

NW NW SE Sec 3 Twp 7 S Rge 20

County: Rooks
Lease Name: Sandra K. Gottschalk
Well #: 5

Domestic well within 330 feet: X yes X no
Municipal well within one mile: X yes X no

Depth to Bottom of fresh water: 160 feet
Lowest usable water formation: Dakota
Depth to Bottom of usable water: 160 feet
Surface pipe by Alternate: 1
Surface pipe to be set: 300 feet
Conductor pipe if any required: feet
Ground surface elevation: 2173 feet MSL
This Authorization Expires: 3-3-86
Approved By:

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

Date: 8-29-85
Signature of Operator or Agent: Patti Jones
Title: Drlg. & Prod. Clerk

Form C-1 4/84
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 plugging, prepare a plugging plan, then obtain agreement from the appropriate district office for an approved plugging plan.
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