NOTICE OF INTENTION TO DRILL

State of Kansas
(see rules on reverse side)

Starting Date: 10 14 85

OPERATOR: License # 8914 & 8938
Name H&C Oil Operating & Fossil Assoc.
Address P.O. Box 86
City/State/Zip Plainville, Kansas 67663
Contact Person Charles Ramsay
Phone 913-434-7434

CONTRACTOR: License #
Name Stoppelwerth Drilling Inc.
City/State McCook, Ne.

Well Drilled For: Oil Gas OWWO
Well Class: Infield Pool Ext. Wildcat
Type Equipment: Mod Rotary

API Number 15- 163-22, 775 0060

\( \text{SE \ SW NW} \text{ Sec 3 \ Twp 7 \ S, Rge 20 \ X} \)

\( \text{2970 FT North from Southeast Corner of Section} \)
\( \text{4290 FT West from Southeast Corner of Section} \)
(Note: Locate well on Section Plat on reverse side)

Nearest lease or unit boundary line 330 feet.
County Rooks
Lease Name Waller
Well# 3
Domestic well within 330 feet: no
Municipal well within one mile: no

Depth to Bottom of fresh water 100 feet
Lowest usable water formation Dakota
Depth to Bottom of usable water 1050 feet
Surface pipe by Alternate: 1 2
Surface pipe to be set 330 feet
Conductor pipe if any required None feet
Ground surface elevation 2260 feet MSL
This Authorization Expires 10-11-85
Approved By Charles K. Ramsay

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

Date 10-9-85 Signature of Operator or Agent Charles K. Ramsay
Title Vice-President

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