NOTICE OF INTENTION TO DRILL
(see rules on reverse side)

State of Kansas

Starting Date ........March.......5, 1987

month day year

OPERATOR: License # .......6171

Name .....N-B. Company, Inc.

Address .....P.O. Box 506

City/State/Zip ...Russell, KS...67665-0506

Contact Person: Kyle B. Branum

Phone: (913)-483-5345

CONTRACTOR: License # .......8241

Name: Emphasis Oil Operations

City/State: P.O. Box 506, Russell, KS 67665-0506

Well Drilled For: Well Class: Type Equipment:

X Oil ....SWD ......Infield ......X Mud Rotary

Gas ....Inj X Pool Ext. Air Rotary

OWWO Expl Wildcat Cable

If OWWO: old well info as follows:

Operator ..............................................................

Well Name ............................................................

Comp Date ..............Old Total Depth ....................

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

Date ............2-24-87 ..........Signature of Operator or Agent ..............................................................

For KCC Use:

Conductor Pipe Required ............feet; Minimum Surface Pipe Required ............feet per Alt.

This Authorization Expires ............8-15-87 ..........Approved By ............2-25-87

Production string will be immediately cemented water to surface.

API Number 15—163-22, 914-00-00

NW NW NW Sec. 7 Twp. 7 S, Rg. 20 X West

4950 Ft. from South Line of Section

4950 Ft. from East Line of Section

(Note: Locate well on Section Plat on reverse side)

Nearest lease or unit boundary line ........330 feet

County ......Rooks

Lease Name ........Loeffler Well # 1

Ground surface elevation ......Est. 2100 feet MSL

Domestic well within 330 feet: .....yes X no

Municipal well within one mile: .....yes X no

Depth to bottom of fresh water ..........40

Depth to bottom of usable water ..........1000 / 100

Surface pipe by Alternate: 200' 1 2 X

Surface pipe planned to be set ............

Conductor pipe required ..........N/A

Projected Total Depth ........3650 feet

Formation ....Arbuckle
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