NOTICE OF INTENTION TO DRILL

State of Kansas

Must be approved by the K.C.C. five (5) days prior to commencing well

Expected Spud Date 12-30-95

month day year

OPERATOR: License # 5474
Name: Northern Lights Oil Co., L.P.
Address: P.O. BOX 1647
City/State/Zip: Andover, KS 67002
Contact Person: Kurt Smith/John Sutherland
Phone: 316-7 32-1515

CONTRACTOR: License #: Unknown
Name: will fill in on acol

Well Drilled For: X Oil
X Gas
X OWAO
X Seismic
X # of Holes

Well Class: X Enhanced Recovery
X Infield
X Mud Rotary
X Wildcat
X Cable
X Other

Type Equipment: X Air Rotary
X Disposal
X Pool Ext.
X Other

990.00 feet from South / North line of Section
990.00 feet from East / West line of Section

IS SECTION X REGULAR ______ IRREGULAR

(Note: Locate well on the Section Plat on Reverse Side)

County: Graham

Lease Name: F.T. HAYS
Well #: 3

Field Name: Mt. Etta North

Is this a Prorated/Spaced Field? X no

Target Formation(s): LKC

Nearest lease or unit boundary: 300

Ground Surface Elevation: 1250

Water well within one-quarter mile: X no

Public water supply well within one mile: X no

Depth to bottom of fresh water: 2000

Depth to bottom of usable water: 1250

Surface Pipe by Alternate: 1 X 2

Length of Surface Pipe Planned to be set: 208.250

Length of Conductor pipe required: 3950

Projected Total Depth: 3950

Formation at Total Depth: Marmaton

Water Source for Drilling Operations: X well E farm pond 
Other

DVR Permit #: 

If Core Be Taken?: X no

If yes, proposed zone:

Directional, Deviated or Horizontal wellbore? X no

If yes, true vertical depth:

Bottom Hole Location:

Affidavit

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.

It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office prior to spudding of well;
2. A copy of the approved notice of intent to drill shall be posted on each drilling rig;
3. The minimum amount of surface pipe as specified below shall be set by circulating cement to the top; in all cases, surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet into the underlying formation;
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an Alternate II Completion, production pipe shall be cemented from below any usable water to surface within 120 days of Spud Date. In all cases, notify district office prior to any cementing.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 11-2-95
Signature of Operator or Agent: X
Title: General Partner

FOR FCC USE:
API # 15-665-727630000
Conductor pipe required 1000 feet
Minimum surface pipe required 250 feet per Alt. X X
Approved by: JK 12-5-95

This authorization expires: 6-5-96
(This authorization void if drilling not started within 6 months of effective date.)

Spud date: X

Remember to:
- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field priorization orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-6) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.

Mail to: Conservation Division, 208 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1286.
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

PLAT OF ACREAGE ATTRIBUTABLE TO A WELL IN A PRORATED OR SPACED FIELD

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API NO. 15-__________________________ LOCATION OF WELL: COUNTY
OPERATOR ___________________________ feet from south/north line of section
LEASE ______________________________ feet from east/west line of section
WELL NUMBER _______________________ SECTION_______ TWP_______ RG______
FIELD _______________________________

NUMBER OF ACRES ATTRIBUTABLE TO WELL -__________- IS SECTION_____ REGULAR or _____ IRREGULAR
QTR/QTR/QTR OF ACREAGE ________-____- IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.

Section corner used:_____NE_____NW_____SE_____SW

PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)

In plotting the proposed location of the well, you must show:

1) The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.;
2) the distance of the proposed drilling location from the section's south/north and east/west lines; and
3) the distance to the nearest lease or unit boundary line.