NOTICE OF INTENTION TO DRILL

Starting Date: May 25, 1985

OPERATOR:
Name: Scarth Oil & Gas Co.
Address: 901 S. Polk
City/State/Zip: Amarillo, TX 79101
Contact Person: T.S. Clopton
Phone: (806) 373-6932

CONTRACTOR:
Name: Abercrombie Drilling, Inc.
City/State: Wichita, Kansas

Well Drilled For: Oil
Well Class: Mud Rotary
Type Equipment: Infield

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

Depth to Bottom of fresh water
Lowest usable water formation
Depth to Bottom of usable water
Surface pipe by Alternate:
Surface pipe to be set
Conductor pipe if any required
Ground surface elevation
This Authorization Expires
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: 5-14-85
Signature of Operator or Agent: T.S. Clopton
Title: Mgr. of Opns.

API Number: 065-22189-00-00
C.N/2.NE. SE Sec. 4 Twp. 7 S. Rge 25 West
2310 Ft North from Southeast Corner of Section
660 Ft West from Southeast Corner of Section
(Note: Locate well on Section Plat on reverse side)

Nearest lease or unit boundary line: 660 feet
County: Graham
Lease Name: Crayton
Well #: 1
Domestic well within 330 feet:
Municipal well within one mile:

Depth to Bottom of fresh water: 265 feet
Lowest usable water formation: Dakota
Depth to Bottom of usable water: 1400 feet
Surface pipe by Alternate: 1 2
Surface pipe to be set: 300 feet
Conductor pipe if any required: None
Ground surface elevation: 2523 feet MSL
This Authorization Expires: 11-16-85
Approved By: RCH/1CC 5-16-85
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