NOTICE OF INTENTION TO DRILL

TO BE FILED WITH THE STATE CORPORATION COMMISSION
PRIOR TO COMMENCEMENT OF WELL

1. Operator  Petroleum Management, Inc.

Address  400 N. Woodlawn, Suite 201, Wichita, Ks. 67208

2. Contractor  Red Tiger Drilling Co.

Address  Vickers KSB&T Bldg., Wichita, Ks. 67202

3. Type of Equipment: Rotary  X  Cable Tool

4. Well to be Drilled for: Oil  X  Gas

Disposal  Input  Other

5. Depth of Deepest Fresh Water within 1 mile  Unknown  ft.

6. Depth of Municipal Water Well within 3 miles  Unknown  ft.

7. Depth to Protect all Fresh Water  200  ft.

8. Amount of Surface Casing to be set  200  ft.

9. Alternate No. 1  No. 2  X

REMARKS:

OPERATOR STATES THAT HE WILL COMPLY WITH K.S.A. 55-128

Signature of Operator

API Number  15-121 20281

Starting Date  Sept. 15, 1976

County  Osborne

Sec 15  Twp 8 S Rge 14 W

Spot Location  Approx. NE SE SE

Nearest Lease Line  330  ft.

Lease Name  Bales

Well No.  3

Est. Total Depth  2900  ft.
State Corporation Commission of Kansas
Conservation Division
P. O. Box 17027
Wichita, Kansas 67217

(IF PREFERRED, MAIL IN ENVELOPE)