NOTICE OF INTENTION TO DRILL

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

1. Operator __________ Nielson Enterprises Inc. ____________________________
   633 17th St. - Suite 1380
   Denver, CO 80202

2. Contractor __________ Thunderbird Drilling, Inc. ____________________________
   P.O. Box 18407
   Wichita, KS 67218

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 __________ 200 __________ ft.
6. Depth of Municipal Water Well within 3 miles __________ none __________ ft.
7. Depth to Protect all Fresh Water __________ 250 __________ ft.
8. Amount of Surface Casing to be set __________ 325 __________ ft.
9. Alternate No. 1 __________ No. 2 __________ X __________

API Number 15-193-20,166 (For office use only)

Starting Date __________ May 16, 1978 __________

County __________ Thomas __________

Sec __________ 3 __________ Twp __________ 7S __________ S Rge __________ 36W __________ E

Spot Location __________ 660' FNL and 660' FEL of SW/4NE/4

Nearest Lease Line __________ 660 __________ ft.

Lease Name __________ Goetsch __________

Well No. __________ 1 __________

Est. Total Depth __________ 5100 __________ ft.

REMARKS:

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

Signature of Operator __________ D. Cranor __________

[Signature]