NOTICE OF INTENTION TO DRILL

State of Kansas

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

Expected Spud Date: 5-20-92

Operator: License #: 6030
Name: Ainsworth Operating Company
Address: P.O. Box 1269
City/State/Zip: Colorado Springs, CO 80901
Contact Person: Terry Hidy
Phone: 719-576-4900

Contractor: License #: 30684
Name: Abercrombie & Reed, Inc.

Well Drilled For: X Oil
X Enh Rec
Gas
DWDD
Seismic
Other

Well Class: X Infield
X Mud Rotary
Pool Ext.
Air Rotary
Wildcat
Cable

If DWDD old well information as follows:
Operator: N/A
Well Name: N/A
Comp. Date: Old Total Depth

Directional, Deviated or Horizontal wells?: Yes. No
If yes, true vertical depth: N/A
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 officer prior to spudding 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 officer 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.

May 14, 1992
Signature of Operator or Agent
Title:

Executive Vice President

FOR KCC USE:
API # 15-065-226 79-00-00
Conductor pipe required N/A
Minimum surf. pipe required 320 feet per Alt. X2

This authorization expires: 11/15/92
(This authorization void if drilling not started within 6 months of effective date.)
Spud date:
Agent:

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

Mail to: Conservation Division, 200 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1286.
IN ALL CASES PLOT THE INTENTED 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- OPERATOR Ainsworth Operating Company
LEASE Hale
WELL NUMBER #1 FIELD unknown

LOCATION OF WELL: COUNTY Graham
4290' feet from south/north line of section
1650' feet from east/west line of section
SECTION 12 TWP 7S RGE 23W

NUMBER OF ACRES ATTRIBUTABLE TO WELL:
QTR/QTR/QTR OF ACREAGE

IS SECTION REGULAR or IRREGULAR
IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.
Section corner used: NE NW SE SW

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

R 23 W

EXAMPLE

GRAHAM COUNTY

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.