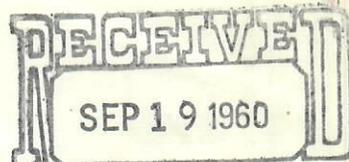




OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO



NOTICE OF INTENTION TO DRILL

OIL & GAS CONSERVATION COMMISSION

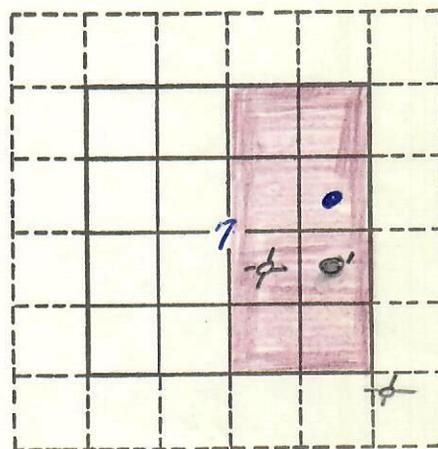
INSTRUCTIONS:

A notice of intention to drill a well shall be filed in duplicate on all Federal and Patented lands, and in triplicate on all State lands. Do not begin operations until approved copy has been received. It is mandatory that the proposed location comply with all rules and regulations of the Commission. Locate well on section grid in proper location, and indicate extent of lease. Unless operations are commenced within 180 days after the date of approval hereof, this approval to drill will be null and void.

Name of Operator HLM Drilling Co. et al Phone No. AM 6-3454
Address 920 Patterson Building City Denver 2 State Colorado

How is liability secured: Well Bond (Attached) [ ]; Blanket Bond [ ]; Waiver [X] (Check one)

Lease Name Doheny-Schroeder
Well No. 2
Field Name Unnamed (force) Wildcat [ ]
County Morgan



Location C SE NE Section 7 Township 2 N Range 57 W Meridian 6 P.M.
1980 feet from N Section line and 660 feet from E Section Line

The well is located on: Patented land [X] State land [ ] Federal land [ ]

The well is located within a spaced area: Yes [ ] No [X]

Distance from proposed location to nearest property or lease line 660 feet.
Distance from proposed location to nearest drilling unit line 660 feet.

Objectives: "D" sand Formation Depth 5560 Estimate; Formation Depth Estimate

Proposed length of surface casing 225 +/- feet.

REMARKS:

Table with columns for Agen, Bond, Spot, Wells, Oil, Gas, Status and rows for 600 ft., 1200 ft., Wells, Oil, Gas, Status. Includes handwritten 'Waiver' and checkmarks.

I/We hereby swear (or affirm) that the statements herein made are a full and correct report.

APPROVED: Date Sept 19 1960 Director
Company HLM DRILLING COMPANY Date 9-16-60
Address 920 Patterson Building Phone No. AM 6-3454
By F. Mullin Signature Title Sec.-Treas.