

For KCC Use: 4-6-04
Effective Date: 4-6-04
District # 1
SGA? Yes No

KANSAS CORPORATION COMMISSION RECEIVED
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL APR 01 2004

Form C-1
December 2002
Form must be Typed
Form must be signed
All blanks must be Filled

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date 04/16/04
month day year

OPERATOR: License # 5447

Name: OXY USA Inc.

Address: P.O. Box 2528

City/State/Zip: Liberal, KS 67905

Contact Person: Vicki Carder

Phone: (620) 629-4242

CONTRACTOR: License # 30606

Name: Murfin Drilling Co., Inc.

Well Drilled For: Oil Enh Rec Infield Mud Rotary
 Gas Storage Pool Ext Air Rotary
 OWWO Disposal Wildcat Cable
 Seismic: # of Holes Other
 Other Replacement Well for Kapp A-4, P&A 04/10/00, API 15-175-21296

If OWWO: old well information as follows:
Operator: _____
Well Name: _____
Original Completion Date: _____ Original Total Depth: _____

Directional, Deviated or Horizontal wellbore? Yes No

IF Yes, true vertical depth _____

Bottom Hole Location _____

KCC DKT #: _____

** Prorated & Spaced Hugoton*

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 office **prior** to spudding of 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 office 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. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. **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.

Date: March 30, 2004 Signature of Operator or Agent: Vicki Carder Title: Capital Project

For KCC Use ONLY

API # 15 - 175-21929-00.00

Conductor pipe required NONE feet

Minimum Surface pipe required 580 feet per Alt. ① *

Approved by: RJP 4-1-04

This authorization expires: 10-2-04

(This authorization void if drilling not started within 6 months of effective date.)

Spud date: _____ Agent: _____

Spot: AP 48' well **KCC WICHITA**
SE/2 SW - NW Sec. 16 Twp. 32S R. 34 East West

_____ 1979 feet from N / S Line of Section

_____ 942 feet from E / W Line of Section

Is SECTION X Regular _____ Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Seward

Lease Name: Kapp A Well #: 7

Field Name: Holt NW

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): St. Louis

Nearest Lease or unit Boundary: 660.8'

Ground Surface Elevation: 2934 feet MSL

Water well within one-quarter mile Yes No

Public water supply well within one mile: Yes No

Depth to bottom of fresh water: 500

Depth to bottom of usable water: 560

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 1750

Length of Conductor Pipe Required: NONE

Projected Total Depth: 6375

Formation at Total Depth: St. Louis

Water Source for Drilling Operations:

Well Farm Pond Other _____

DWR Permit # _____

(Note: Apply for Permit with DWR)

Will Cores be Taken ? Yes No

If Yes, Proposed zone: _____

Remember to:

- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proaction orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.
- If this permit has expired (see: authorized expiration date) please check the box below and return to the address below.

Well Not Drilled - Permit Expired

Signature of Operator or Agent: _____

Date: _____

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

16
32
34

IN ALL CASES PLOT THE INTENDED 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 and 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: _____
 Lease: _____
 Well Number: _____
 Field: _____

Location of Well: County _____
 _____ feet from N / S Line of Section
 _____ feet from E / W Line of Section
 Sec. _____ Twp. _____ R. _____ East West

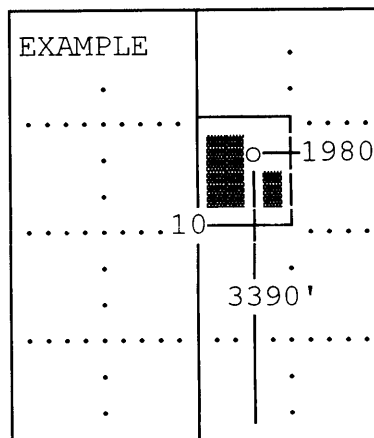
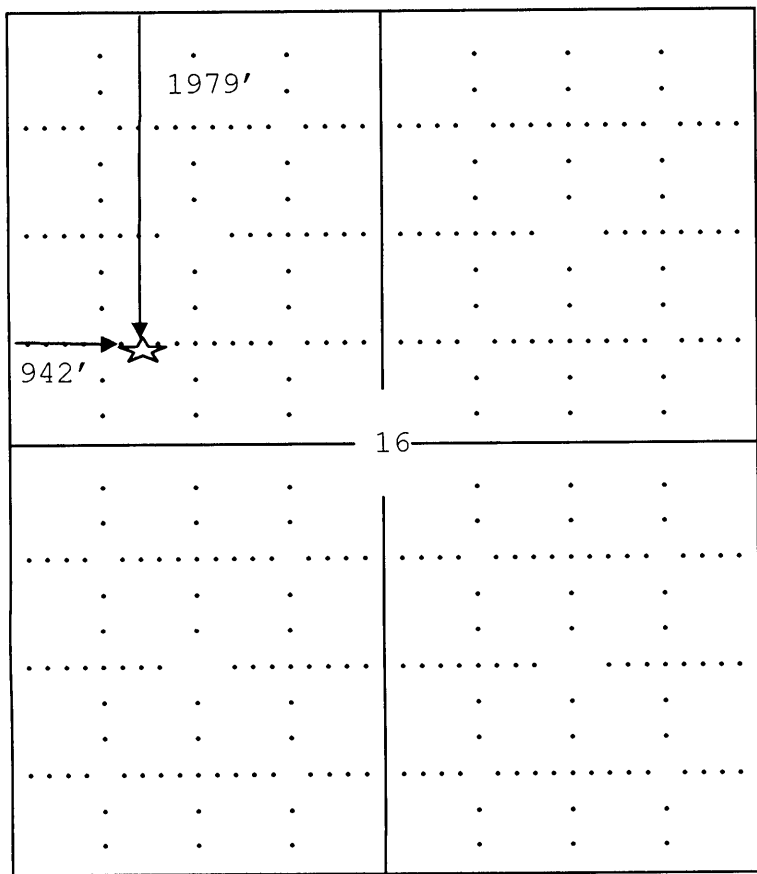
Is Section Regular or Irregular

Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: _____ - _____ - _____

IF Section is Irregular, locate well from nearest corner boundary.
 Section corner used: NE NW SE SW

PLAT

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



Note: In all cases locate the spot of the proposed drilling location.

Seward 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 sections south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG-8 for gas wells).