

For KCC Use: 5.2.04
Effective Date: _____
District # _____
SGA? Yes No

NOTICE OF INTENT TO DRILL

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

Expected Spud Date 5 month 03 day 2004 year
Spot w/2 NW/4 NE/4 NE/4 Sec 36 Twp 29S S. R. 36W East West

OPERATOR: License # 04824 2/28/05
Name: PIONEER NATURAL RESOURCES USA, INC.
Address: 5205 N. O'CONNOR BLVD. - ROOM 1357
City/State/Zip: IRVING, TX 75039
Contact Person: LINDA KELLY
Phone: (972) 444-9001

330' FNL _____ feet from N/S Line of Section
1250' FEL _____ feet from E/W Line of Section
Is SECTION Regular Irregular?
(Note: Locate well on Section Plat on Reverse Side)

CONTRACTOR: License #: WILL ADVISE ON ACO-1
Name: ADVISE ON ACO-1, MUST BE LICENSED WITH KCC

County: GRANT
Lease Name: L. M. STUBBS Well #: 1-36R
Field Name: HUGOTON
Is this a Prorated/Spaced Field? Yes No
Target Formation(s): CHASE

Well Drilled For: Well Class: Type Equipment:
 Oil Enh Rec Infield Mud Rotary
 Gas Storage Pool Ext. Air Rotary
 OWWO Disposal Wildcat Cable
 Seismic; _____ # of Holes Other
 Other REPLACEMENT CP-1 3-17-04

Nearest Lease or unit boundary: 330'
Ground Surface Elevation: 2920.28 feet MSL
Water well within one-quarter mile: yes no ✓
Public water supply within one mile: yes no
Depth to bottom of fresh water: 480
Depth to bottom of usable water: 540
Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 560' min
Length of Conductor pipe required: NONE
Projected Total Depth: 3150'
Formation at Total Depth: CHASE
Water Source for Drilling Operations:
Well Farm Pond Other ✓

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 # _____

DWR Permit #: _____
(Note: Apply for Permit with DWR)
Will Cores Be Taken?: Yes No
If yes, proposed zone: _____

MAR 15 2004

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:

well location Exception Granted
4-19-04

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: 3/9/04 Signature of Operator or Agent: Linda Kelly Title: ENGINEERING TECH III

For KCC Use ONLY
API # 15- 067-21577-00-00
Conductor pipe required NONE feet
Minimum surface pipe required 560 feet per Alt (1) 2
Approved by: RJP 4-27-04
This authorization expires: 10-27-04
(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 ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration 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 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: _____

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 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 PIONEER NATURAL RESOURCES USA, INC.
 Lease L. M. STUBBS
 Well Number 1-36R
 Field HUGOTON

Location of Well: County: GRANT
330' FNL feet from N / S Line of Section
1250' FEL feet from E / W Line of Section
 Sec 36 Twp 29S S. R. 36W East West

Number of Acres attributable to well: 640

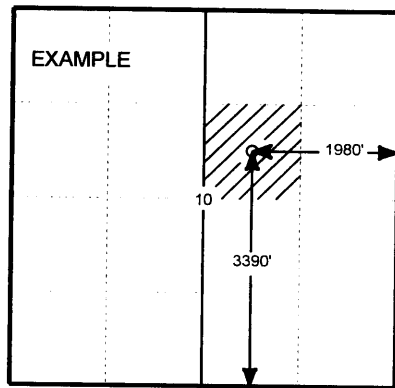
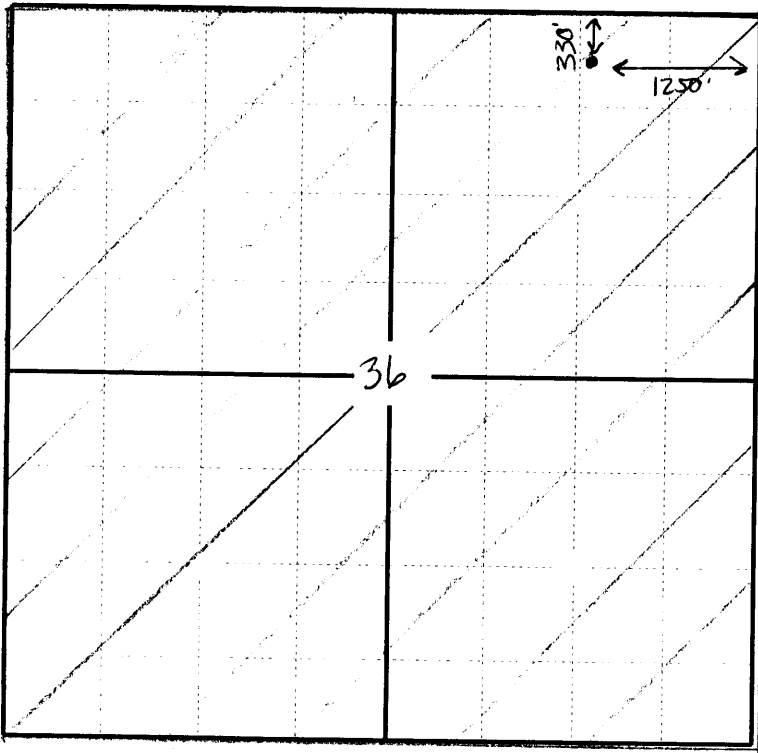
Is Section Regular or Irregular

QTR/QTR/QTR of acreage: ~~NE/4~~ ~~NE/4~~ ~~NW/4~~
w/2 NW NE NE

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 nearest lease or unit boundary line)*



SEWARD CO.

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; and
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).

KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR
BRIAN J. MOLINE, CHAIR
JOHN WINE, COMMISSIONER
ROBERT E. KREHBIEL, COMMISSIONER

April 27, 2004

Ms. Linda Kelly
Pioneer Natural Resources USA, Inc.
5205 N. O'Connor Blvd. Ste 900
Irving, TX 75039

RE: Drilling Pit Application
LM Stubbs Lease Well No. 1-36R
NE/4 Sec. 36-29S-36W
Grant County, Kansas

Dear Ms. Kelly:

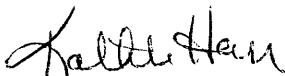
District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as practical after drilling operations have ceased.

If production casing is set all completion fluids shall be removed on a daily basis.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 when the fluids have been removed. Also, please file the enclosed CDP-5 form, Surface Pond Waste Transfer, within 30 days of fluid removal.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,



Kathleen Haynes
Environmental Protection and Remediation Department

cc: S Durrant