

Panoma Replacement  
Well

For KCC Use:  
Effective Date: 5.12.04  
District # 1  
SGA?  Yes  No

### NOTICE OF INTENT TO DRILL

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

Form must be Typed  
Form must be Signed  
All blanks must be Filled

Expected Spud Date 04 11 2004 month day year  
Spot Ann No SW/4 SE/4 Sec 12 Twp 30 S. R 35  East  West

OPERATOR: License # 04824 2/28/05  
Name: PIONEER NATURAL RESOURCES USA, INC.  
Address: 5205 N. O'CONNOR BLVD. - ROOM 1344  
City/State/Zip: IRVING, TEXAS 75039  
Contact Person: JUAN F. ORTEGON  
Phone: 972-969-3849

1250 feet from  N/S  Line of Section  
2500 feet from  E/W  Line of Section  
Is SECTION  Regular  Irregular?

(Note: Locate well on Section Plat on Reverse Side)

County: GRANT  
Lease Name: TRUESDALE Well #: 2-12R

CONTRACTOR: License # ADVISED ON ACO-1 MUST BE LICENSED WITH KCC  
Name: \_\_\_\_\_

Field Name: PANOMA  
Is this a Prorated/Spaced Field?  Yes  No  
Target Formation(s): COUNCIL GROVE

Well Drilled For: Well Class: Type Equipment:

- |  |                                   |   |  |
|--|-----------------------------------|---|--|
| <input type="checkbox"/> Oil                                 | <input type="checkbox"/> Enh Rec  | <input checked="" type="checkbox"/> Infield | <input checked="" type="checkbox"/> Mud Rotary |
| <input checked="" type="checkbox"/> Gas                      | <input type="checkbox"/> Storage  | <input type="checkbox"/> Pool Ext.          | <input type="checkbox"/> Air Rotary            |
| <input type="checkbox"/> OWWO                                | <input type="checkbox"/> Disposal | <input type="checkbox"/> Wildcat            | <input type="checkbox"/> Cable                 |
| <input type="checkbox"/> Seismic; # of Holes                 | <input type="checkbox"/> Other    |   |  |
| <input checked="" type="checkbox"/> Other <u>REPLACEMENT</u> |                                   |   |  |

Nearest Lease or unit boundary: 1250'  
Ground Surface Elevation: 3019.00 feet MSL

Water well within one-quarter mile:  yes  no  
Public water supply within one mile:  yes  no

Depth to bottom of fresh water: 540  
Depth to bottom of usable water: 580

Surface Pipe by Alternate:  1,  2,  
Length of Surface Pipe Planned to be set: 600

Length of Conductor pipe required: NONE  
Projected Total Depth: 3350'

Formation at Total Depth: COUNCIL GROVE  
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: \_\_\_\_\_

DWR Permit #: \_\_\_\_\_  
(Note: Apply for Permit with DWR )

Directional, Deviated or Horizontal wellbore?  Yes  No

If yes, true vertical depth: RECEIVED  
Bottom Hole Location KANSAS CORPORATION COMMISSION  
KCC DKT # \_\_\_\_\_

Will Cores Be Taken?:  Yes  No  
If yes, proposed zone: \_\_\_\_\_

MAR 15 2004

### CONSERVATION DIVISION AFFIDAVIT

The undersigned hereby affirms that the well is NOT completed 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: 03/08/04 Signature of Operator or Agent: Juan F. Ortega Title: OPERATIONS ENGINEER

**For KCC Use ONLY**  
API # 15- 067-21580-00-00  
Conductor pipe required NONE feet  
Minimum surface pipe required 600 feet per Alt 1  
Approved by: RJP 5-7-04  
This authorization expires: \_\_\_\_\_  
(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: \_\_\_\_\_

12  
30  
350

**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 TRUESDALE  
 Well Number 2-12R  
 Field PANOMA

Location of Well: County: GRANT  
 \_\_\_\_\_ 1250 feet from  N / S  Line of Section  
 \_\_\_\_\_ 2500 feet from  E / W  Line of Section  
 Sec 12 Twp 30 S. R 35  East  West

Number of Acres attributable to well: 640

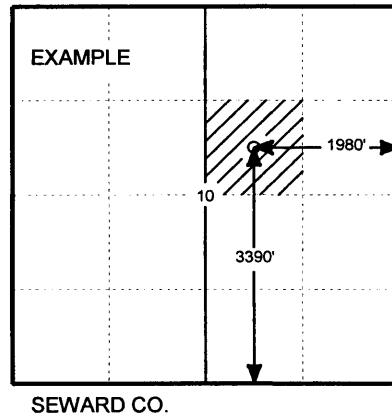
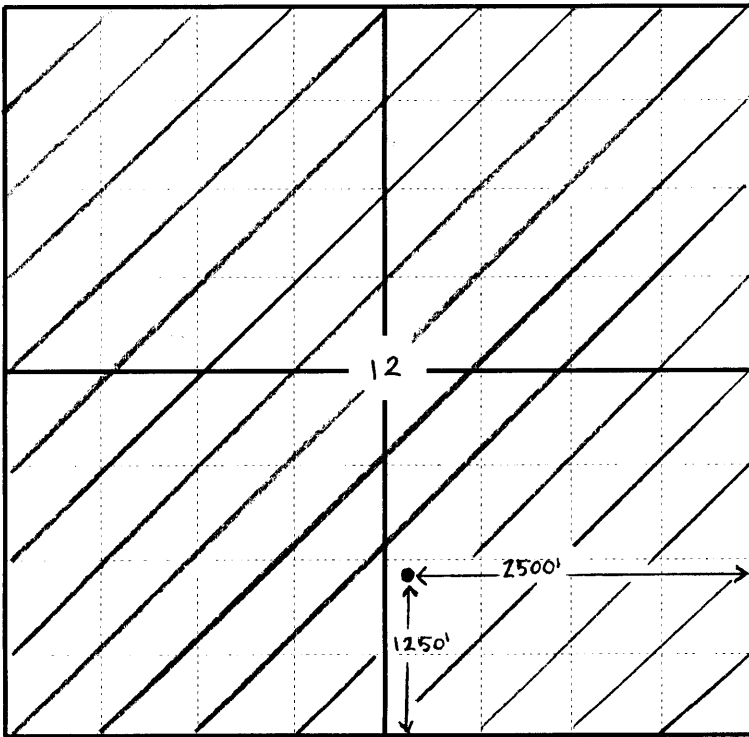
Is Section  Regular or  Irregular

QTR/QTR/QTR of acreage: \_\_\_\_\_ - SW/4 - SE/4

**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)*



**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

## **NOTICE TO OPERATORS DRILLING IN THE PANOMA- COUNCIL GROVE GAS POOL SPACED AREA**

The enclosed intent is located within the Panoma-Council Grove gas pool space area. In May 1978, Panoma-Council Grove Proration Order (as amended), Docket No. 60,024-C (C-7058) under FINDINGS OF FACT AND LAW on page 31, the following language is stated that:

“The Commission finds that in order to prevent waste and protect correlative rights, the following stated rules pertaining to wells already completed, in the process of being drilled or for future wells to be drilled in the Panoma Council Grove Gas Pool Spaced area, and for wells producing from the Council Grove Formation outside of the Panoma Council Grove Gas Pool Spaced area within the Hugoton Gas Field, should be adopted.”

1. “No dual completions between the Chase (Hugoton) and Council Grove Formations will be permitted for future wells drilled.”
2. “Casing shall not be set above the top of the Council Grove Formation for a Council Grove producing well.”
3. “The production casing of all new Council Grove wells should be cemented with a calculated volume of cement sufficient to encase the casing from the bottom of the casing to a point 500 feet above the Chase Formation.”
4. “The casing shall be encased in cement in the interval between the base of the Council Grove and the top of the Chase Formation on all wells, irrespective of depth, completed below the Council Grove Formation, if they are located within the space area.”
5. “The cement coverage heretofore required shall be confirmed by the running of a recognized survey, such as a temperature survey or cement bond log.”

A copy of this survey and the cement tickets(s) showing that all cement work has been completed, must be filed with the ACO-1 Completion Report within 120 days from the wells “spud date.”

Failure to comply with these provisions may cause the well to be shut-in until compliance has been achieved.

If you have any questions, please feel free to contact the Conservation Division’s Production Department at (316) 337-6200.