

FOR KCC USE:

FORM C-1 7/91

EFFECTIVE DATE: 4-3-96

State of Kansas

FORM MUST BE TYPED

DISTRICT # 4

NOTICE OF INTENTION TO DRILL

FORM MUST BE SIGNED

SGA? Yes No

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

ALL BLANKS MUST BE FILLED

Spot APPROX. East

Expected Spud Date .April04.....1996.....
month day year

.NW SE NE..... Sec .22.. Twp ...5.. S, Rg .20.. X West

OPERATOR: License # 5447
Name: OXY USA INC.
Address: 110 S. Main #800
City/State/Zip: Wichita, Kansas. 67202
Contact Person: Shawn M. Kerns
Phone: (316) 265-5624

.....1390'..... feet from xxxxx / North line of Section
970'..... feet from East / xxxx line of Section
IS SECTION _____ REGULAR _____ IRREGULAR?

(NOTE: Locate well on the Section Plat on Reverse Side)

County: Phillips

Lease Name: Graham "B" Well #: 16

Field Name: Hansen Field

Is this a Prorated/Spaced Field? yes no

Target Formation(s): Arbuckle./ LKC

Nearest lease or unit boundary: 1390'

Ground Surface Elevation: 2153 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: 180'

Depth to bottom of usable water: 240' 960'

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 300

Length of Conductor pipe required: 70

Projected Total Depth: 3500'

Formation at Total Depth: Arbuckle OH

Water Source for Drilling Operations:

well farm pond other

DWR Permit #: _____

Will Cores Be Taken?: yes no

If yes, proposed zone: _____

Well Drilled For: Well Class: Type Equipment:
.X. Oil ... Enh Rec .X. Infield .X. Mud Rotary
... Gas ... Storage ... Pool Ext. ... Air Rotary
... OWWO ... Disposal ... Wildcat ... Cable
... Seismic; ... # of Holes ... Other
... Other

If OWWO: old well information as follows:

Operator: _____

Well Name: _____

Comp. Date: _____

Directional, Deviated or Horizontal wellbore? yes no

If yes, true vertical depth: _____

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 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. 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: 3/28/96 Signature of Operator or Agent: Shawn M. Kerns Title: Operations Engineer

FOR KCC USE:
 API # 15- K7-205660000
 Conductor pipe required NONE feet
 Minimum surface pipe required 300' feet per Alt. (2)
 Approved by: JK 3-29-96
 This authorization expires: 9-29-96
 (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.

Mail to: Conservation Division, 200 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1286.

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STATE CORPORATION COMMISSION

MAR 28 1996

22
5
200

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 OXY Usa Inc _____
 LOCATION OF WELL: COUNTY Phillips _____
 LEASE Graham "B" _____
 WELL NUMBER # 16 _____
 FIELD Hansen _____

1390 feet from xxxxx/north line of section
970 feet from east/xxxx line of section
 SECTION 22 TWP 5s RG 20w

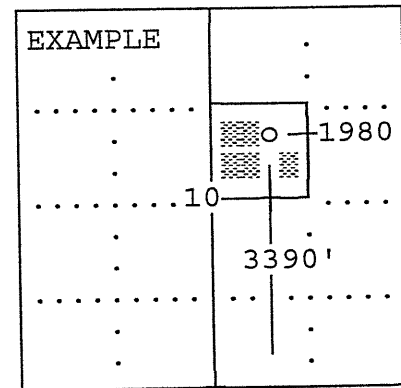
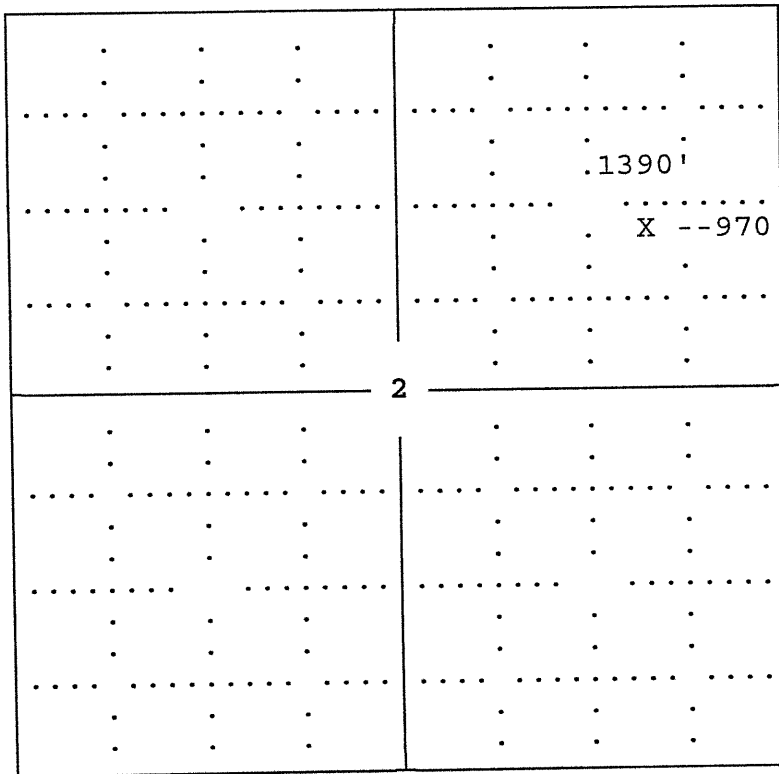
NUMBER OF ACRES ATTRIBUTABLE TO WELL _____
 QTR/QTR/QTR OF ACREAGE NW - SE - NE

IS SECTION x REGULAR or _____ IRREGULAR
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.)



SEWARD CO.

_____ 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; and
- 3) the distance to the nearest lease or unit boundary line.

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