

KCC Dist #1

CARD MUST BE TYPED

State of Kansas

CARD MUST BE SIGNED

EFFECTIVE DATE 2.9.05

NOTICE OF INTENTION TO DRILL HUGOTON INFILL

SGA - NO

Starting Date 03 17 05 month day year

API Number 15 - 175-21967.00.00

OPERATOR: License # 5447 Name OXY USA Inc. Address P.O. Box 2528 City/State/Zip Liberal, KS 67905 Contact Person Cal Wylie Phone 620-629-4200 CONTRACTOR: License # 33375 Name Cheyenne Drilling LP City/State Garden City, KS Well Drilled as: X New Recompletion OWWO Projected Total Depth 2800 feet Formation Chase If OWWO or Recompletion: old well info as follows: Operator Well Name Comp. Date Old Total Depth

IS SECTION X REGULAR IRREGULAR NW SE SE Sec 24 Twp 32 S, Rg 33 W 1250 Ft. from South Line of Section 1250 Ft. from East Line of Section NOTE: Attach acreage attribution plat locating both Chase (Hugoton) wells Total number of acres attributed to unit 640 Nearest producing well from same common source of supply 251.2 feet Nearest lease or unit boundary line 1250 feet County Seward Lease Name Baughman L Well # 2 Ground surface elevation 2777 feet MSL Depth to bottom of fresh water 540 Depth to bottom of usable water 560 Surface pipe by Alternate: 1 X 2 Surface pipe planned to be set 580 Water Source for Drilled Operations: DWR Permit #: well farm pond X other

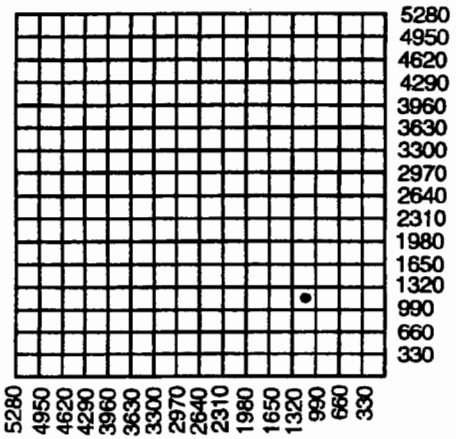
I certify that well will comply with K.S.A. 55-101, et seq., plus eventually plugging hole to KCC specifications. Date 02/02/05 Signature of Operator or Agent Title Capital Project

For KCC Use: Conductor Pipe Required NONE feet; Minimum Surface Pipe Required 580 feet per Alt 2 This Authorization Expires 8.4.05 Approved By RSP 2.4.05

9/95

Must be filed with K.C.C. five (5) days prior to commencing well This card void if drilling not started within six (6) months of date received by K.C.C.

A Regular Section of Land 1 Mile = 5,280 Ft.



- Important procedures to follow: 1. Notify District office before setting surface casing. 2. Set surface casing by circulating cement to the top. 3. File completion forms ACO-1 with K.C.C. within 120 days of well spud date, following instructions on ACO-1, side 1, and including copies of wireline logs. 4. Notify District office 48 hours prior to old well workover or re-entry. 5. Submit plugging report (CP-4) to K.C.C. after plugging is completed. 6. If an alternate 2 completion, cement in the production pipe from below any useable water to surface within 120 days of spud date.

RECEIVED FEB 04 2005 KCC WICHITA

State Corporation Commission of Kansas Conservation Division 130 S. Market Room 2078 Wichita, Kansas 67202-1212 (316) 337-6231