For KCC Use: Effective Date: 1019.05 KANSAS CORPORATION COMMISSION RECEIVED OIL & GAS CONSERVATION DIVISION OCT 12 2005

Form C-1 December 2002

District #		NOTICE OF IN	TENT TO DRILL OCT 3 ZOUS Form must be Typed Form must be signed						
SGA? 💢 Yes 🔲 No	Must b		. This is a digital						
Expected Spud Date	10/	19/05	5) days prior to commence WCC WICHITA blanks must be Filled						
Expected Spud Date		lay year	Spot: SE SW _ Sec18 Twp34S _ R33 West						
			feet from N / S Line of Section						
OPERATOR: License#	5447		1929feet from ☐E / ☒ W Line of Section						
Name:	OXY USA Inc.		Is SECTION Regular Irregular?						
Address:	P.O. Box 25	28	is SECTION Regular Irregular?						
City/State/Zip: Liberal, KS 67905			(Note: Locate well on the Section Plat on reverse side)						
Contact Person:	Vicki Carde	er	County: Seward						
Phone: (620) 629-4242			Lease Name:Boles A Well #:1						
CONTRACTOR: License #			Field Name: Salley Chester						
			Is this a Prorated / Spaced Field?						
Name:	Murfin Drilling	, Co., Inc	Target Formation(s): St. Louis						
			Nearest Lease or unit Boundary:						
Well Drilled For:	Well Class:	Type Equipment:							
☐Oii ☐Enh Rec	⊠infield	⊠iMud Rotary	Ground Surface Elevation: 2887 feet MSL Water well within one-quarter mile Yes No						
	Pool Ext	_ ·	Market Meti Mikititi Otte-drautet tille						
☑Gas ☐Storage	☐Pool Ext	Air Rotary	Public water supply well within one mile:						
OWWO Disposal	☐Wildcat	Cable	Depth to bottom of fresh water:						
Seismic:# of Holes	Other		7 0-						
Other			Depth to bottom of usable water: 720						
			Surface Pipe by Alternate: 🛛 1 🔲 2						
(C) 11 (C) 11 (C) (C) (C)			- -						
If OWWO: old well information a			Length of Surface Pipe Planned to be set: 1750 Length of Conductor Pipe Required:						
Operator:									
Well Name:			Projected Total Depth: 6600						
Original Completion Date:	Orig	inal Total Depth:	Formation at Total Depth: St. Louis Water Source for Drilling Operations:						
Directional, Deviated or Horizon	tol wellberg?	Yes No	Well ☐ Farm Pond Other						
IF Yes, true vertical depth			DWR Permit #						
Bottom Hole Location			(Note: Apply for Permit with DWR 🔯)						
KCC DKT #:			Will Cores be Taken?						
V < ALL ALL		CUEN	If Yes, Proposed zone:						
* SALEY CHES	STAIL BIT	AFFID	AVIT						
The undersigned hereby affirms	that the drilling, cor	mpletion and eventual plugging of	this well will comply with K.S.A. 55-101, et. Seq.						
It is agreed that the following mi									
Notify the appropriate	e district office prio	r to spudding of well;	* Prorated & Spaced Hugoton						
		o drill shall be posted on each dri	• 0						
			circulating cement to the top; in all cases surface pipe shall be set through all						
		of 20 feet into the underlying form							
			office on plug length and placement is necessary <i>prior to plugging</i> ;						
			or production casing is cemented in; rom below any usable water to surface within 120 days of spud date. Or pursuant to						
			applies to the KCC District 3 area, alternate II cementing must be completed within 30						
			district office prior to any cementing.						
I hereby certify that the statemen	nts made herein are	true and to the best of my knowle	edge and belief.						
Date: October 6, 2005 Sign	ature of Operator o	r Agent: Vialu V	Title: Capital Project						
			Remember to:						
For KCC Use ONLY			- File Drill Pit Application (form CDP-1) with Intent to Drill;						
175-	22008	00-00	- File Completion Form ACO-1 within 120 days of spud date;						
API # 15 - 1 1 2		00-00	- File acerage attribution plat according to field proation orders;						
Conductor pipe required	NONE	feet	Notify appropriate district office 48 hours prior to workover or re-entry;						
Minimum Surface pipe required 740 feet per Alt.			- Submit plugging report (CP-4) after plugging is completed;						
Approved by: 20-14-05			Obtain written approval before disposing or injecting salt water.						
This authorization expires:	1-14-06		- If this permit has expired (see: authorized expiration date) please check the						
This authorization expires		6 months of effective date)	box below and return to the address below.						
		, mondition of effective date.)	☐ Well Not Drilled – Permit Expired						
Spud date:	Agent:		Signature of Operator or Agent:						

Side Two

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

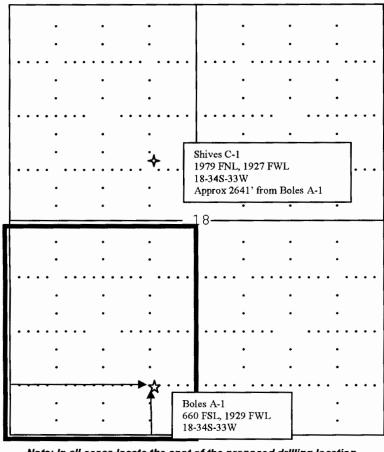
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundries of the proposed acreage attribution unit for gas wells and within ½ mile of the boundries of the proposed acreage attribution unit for oil wells.

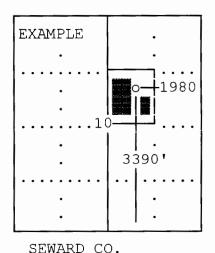
API No. 15 -				Location of W	ell: Count	ty		Seward		
Operator:	OXY USA Inc.				660		fee	et from N /	S Line of Section	or
Lease:	Boles A				1929		fee	et from 🔲 E /	W Line of Section	or
Well Number:	1			Sec. <u>18</u>	_Twp	34S R.	33	_	☐East 🖾 We	×
Field:	Salley Chester									
				Is Section		Regular	or	Irregular		
Number of Acres at	tributable to well:	640								
QTR / QTR / QTR of acreage: SESW		w	IF Section is Irregular, locate well from nearest corner boundary.							
				Section come	er used:	NE	□ww	□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:

- 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.
- 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
ROBERT E. KREHBIEL, COMMISSIONER
MICHAEL C. MOFFET, COMMISSIONER

October 14, 2005

Vicki Carder OXY USA Inc. PO Box 2528 Liberal KS 67905

Re:

Drilling Pit Application Boles A Lease Well No. 1

SW/4 18-34S-33W

Seward County, Kansas

Dear Ms. Carder:

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. Please file form CDP-5, Exploration and Production Waste Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms/

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,

Jonelle Rains, Supervisor

Lorselle Raine

Department of Environmental Protection and Remediation

cc: Steve Durrant

File