

For KCC Use: 12-12-05
Effective Date: 12-12-05
District # 1

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL**

RECEIVED

Form C-1

December 2002

Form must be Typed
Form must be signed

All blanks must be Filled

SGA? Yes No

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

DEC 05 2005
17 34 33W

Expected Spud Date 12/21/05
month day year

Spot: C - SW - NW KCC WICHITA S R. 33
 East West

OPERATOR: License # 5447

Name: OXY USA Inc.

Address: P.O. Box 2528

City/State/Zip: Liberal, KS 67905

Contact Person: Vicki Carder

Phone: (620) 629-4242

CONTRACTOR: License # 30606

Name: Murfin Drilling Co., Inc.

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

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 #: _____

* SALLEY CHESTER B.P.O. filed

1980 feet from N / S Line of Section

660 feet from E / W Line of Section

Is SECTION X Regular _____ Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Seward

Lease Name: Brown C Well #: 6

Field Name: Salley Chester

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): St. Louis

Nearest Lease or unit Boundary: 660

Ground Surface Elevation: 2884 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: 620

Depth to bottom of usable water: 720

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 1750

Length of Conductor Pipe Required: NONE

Projected Total Depth: 6600

Formation at Total Depth: St. Louis

Water Source for Drilling Operations:

Well Farm Pond Other _____

DWR Permit # _____

(Note: Apply for Permit with DWR)

Will Cores be Taken? Yes No

If Yes, Proposed zone: _____

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. 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.*

* Prorated & Spaced Hugoton

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 12/01/05 Signature of Operator or Agent: Vicki Carder Title: Capital Project

For KCC Use ONLY

API # 15 - 175 - 22015 - 00-00

Conductor pipe required NONE feet

Minimum Surface pipe required 740 feet per Alt. Ⓢ →

Approved by: RJP 12-7-05

This authorization expires: 6-7-06

(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 proation 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 this 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: _____

17
34
33W

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 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.
 Lease: Brown C
 Well Number: 6
 Field: Salley Chester

Number of Acres attributable to well: 160
 QTR / QTR / QTR of acreage: _____ - SW - NW

Location of Well: County Seward
1980 feet from N / S Line of Section
660 feet from E / W Line of Section
 Sec. 17 Twp. 34S R. 33 East West

Is Section Regular or Irregular

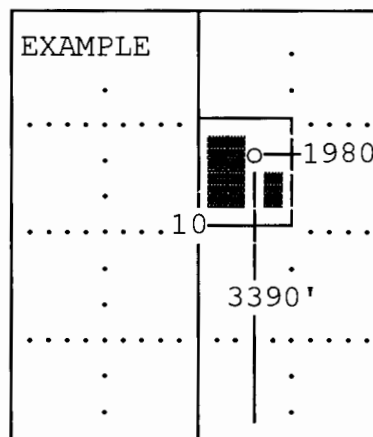
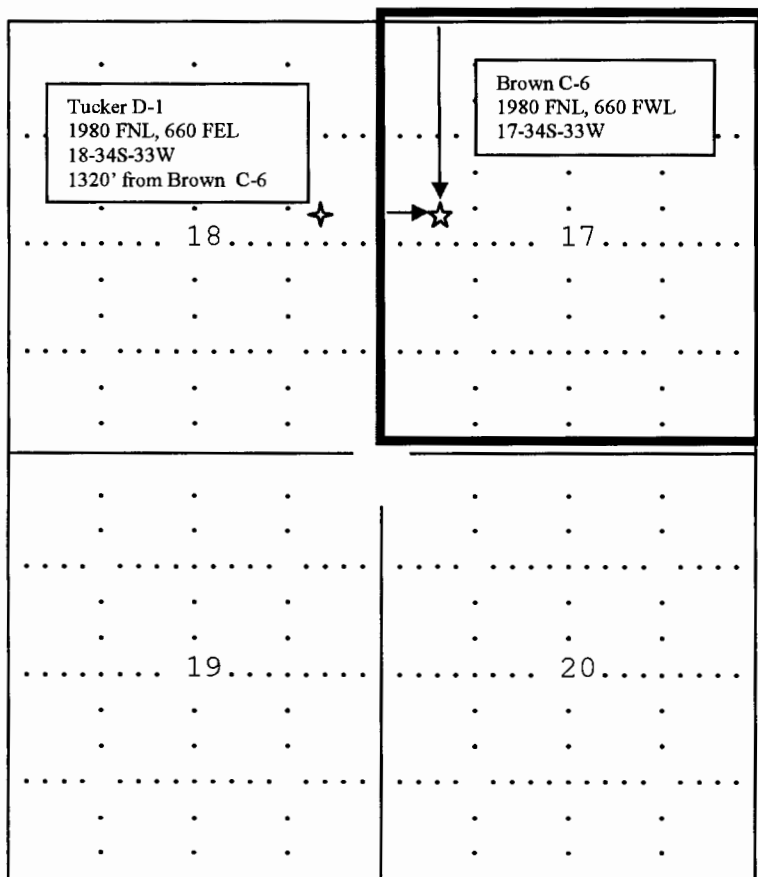
IF Section is Irregular, locate well from nearest corner boundary.

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.

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:

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 sections south / north and east / west.
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

ROBERT E. KREHBIEL, COMMISSIONER

MICHAEL C. MOFFET, COMMISSIONER

December 6, 2005

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

RE: Drilling Pit Application
Brown C Lease Well No. 6
NW/4 Sec. 17-34S-33W
Seward County, Kansas

Dear Ms. Carder:

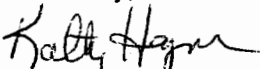
District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as practical after drilling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

If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

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 (August 2004), 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,



Kathy Haynes
Environmental Protection and Remediation Department

cc: S Durrant
File