

For KCC Use: 2-22-06  
Effective Date: 2-22-06  
District # 1  
SGA?  Yes  No

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

Form C-1  
December 2002  
Form must be Typed  
Form must be signed  
All blanks must be Filled

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

Expected Spud Date 03/18/06  
month day year

Spot:      -      NW -      NW Sec. 10 Twp. 26S R. 33  East  West

OPERATOR: License # 5447

660 feet from  N /  S Line of Section

Name: OXY USA Inc.

700 feet from  E /  W Line of Section

Address: P.O. Box 2528

Is SECTION  Regular  Irregular?

City/State/Zip: Liberal, KS 67905

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

Contact Person: Vicki Carder

County: Finney

Phone: (620) 629-4242

Lease Name: Drussel D Well #: 3

CONTRACTOR: License # 33375

Field Name: Panoma

Name: Cheyenne Drilling, LP

Is this a Prorated / Spaced Field?  Yes  No

Well Drilled For:  Oil  Enh Rec  Infield  Mud Rotary

Target Formation(s): Council Grove

Gas  Storage  Pool Ext  Air Rotary

Nearest Lease or unit Boundary: 660

OWWO  Disposal  Wildcat  Cable

Ground Surface Elevation: 2891 feet MSL

Seismic: # of Holes  Other Field Development

Water well within one-quarter mile  Yes  No

Other

Public water supply well within one mile:  Yes  No

Depth to bottom of fresh water: 520

Depth to bottom of usable water: 800

If OWWO: old well information as follows:

Surface Pipe by Alternate:  1  2

Operator:     

Length of Surface Pipe Planned to be set: 820 MIN

Well Name:     

Length of Conductor Pipe Required: NONE

Original Completion Date:      Original Total Depth:     

Projected Total Depth: 3000

Formation at Total Depth: Council Grove

Directional, Deviated or Horizontal wellbore?  Yes  No

Water Source for Drilling Operations:  Well  Farm Pond Other  X

IF Yes, true vertical depth     

DWR Permit #     

Bottom Hole Location     

(Note: Apply for Permit with DWR )

KCC DKT #: FEB 07 2006

Will Cores be Taken?  Yes  No

If Yes, Proposed zone:     

**CONSERVATION DIVISION 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:

**X WELL LOCATION EXCEPTION GRANTED**

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: 2/2/06 Signature of Operator or Agent:     

Title: G. Horney as agent

**For KCC Use ONLY**

API # 15 - 055-21910-00-00

Conductor pipe required NONE feet

Minimum Surface pipe required 820 feet per Alt. (1) a

Approved by: RJP 2-17-06

This authorization expires: 8-17-06

(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 proaction 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:     

10 26 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: Drussel D  
 Well Number: 3  
 Field: Panoma

Location of Well: County Finney  
 \_\_\_\_\_ 660 \_\_\_\_\_ feet from  N /  S Line of Section  
 \_\_\_\_\_ 700 \_\_\_\_\_ feet from  E /  W Line of Section  
 Sec. 10 Twp. 26S R. 33  East  West

Number of Acres attributable to well: 640  
 QTR / QTR / QTR of acreage: \_\_\_\_\_ - NW - NW

Is Section  Regular or  Irregular

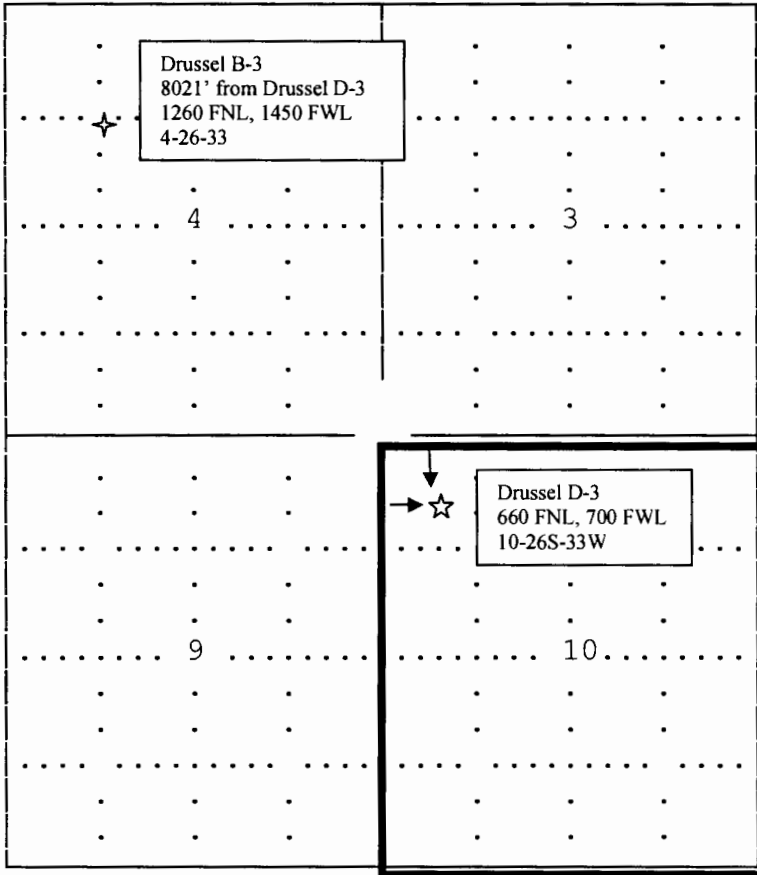
IF Section is irregular, locate well from nearest corner boundary.

Section corner used:  NE  NW  SE  SW

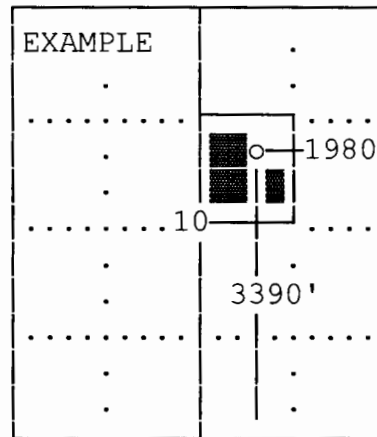
**PLAT**

*(Show location of the well and shade attributable acreage for prorated or spaced wells.)*

*(Show footage to the nearest lease or unit boundary line.)*



**RECEIVED**  
**KANSAS CORPORATION COMMISSION**  
**FEB 02 2006**  
**CONSERVATION DIVISION**  
**WICHITA, KS**



SEWARD CO.

**Note: In all cases locate the spot of the proposed drilling location.**

Finney 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).