

For KCC Use:
 Effective Date: 10-11-06
 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 October 29, 2006
 month day year

OPERATOR: License# 5208
 Name: ExxonMobil Oil Corporation
 Address: P O Box 4358
 City/State/Zip: Houston, TX 77210-4358
 Contact Person: Roy Springfield
 Phone: 281-654-1932

CONTRACTOR: License# 33545
 Name: Pioneer Drilling Services

Spot NE SW SW Sec. 32 Twp. 31 S. R. 35 East West
1250 feet from N / S Line of Section
1250 feet from E / W Line of Section

Is SECTION Regular Irregular?

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

County: Stevens
 Lease Name: Barnard Well #: 3-32
 Field Name: Panoma

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Council Grove

Nearest Lease or unit boundary: 1250

Ground Surface Elevation: 3024 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: 546

Depth to bottom of usable water: 546

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 566

Length of Conductor Pipe required: NA

Projected Total Depth: 3600

Formation at Total Depth: Council Grove

Water Source for Drilling Operations:

Well Farm Pond Other Hauled

DWR Permit #: _____

(Note: Apply for Permit with DWR)

Will Cores be taken? Yes No

If Yes, proposed zone: _____

Well Drilled For:	Well Class:	Type Equipment:
<input type="checkbox"/> Oil <input checked="" type="checkbox"/> Gas <input type="checkbox"/> OMWO <input type="checkbox"/> Seismic; # of Holes <input type="checkbox"/> Other	<input type="checkbox"/> Enh Rec <input type="checkbox"/> Storage <input type="checkbox"/> Disposal <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Infield <input type="checkbox"/> Pool Ext. <input type="checkbox"/> Wildcat <input type="checkbox"/> Other
		<input checked="" type="checkbox"/> Mud Rotary <input type="checkbox"/> Air Rotary <input type="checkbox"/> Cable

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 #: _____

PRORATED & SPACED HUBBARD & PANOMA

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 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 casing 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: 10/05/2006 Signature of Operator or Agent: [Signature] Title: Regulatory Specialist

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 WICHITA, KS

For KCC Use ONLY
 API # 15 - 189-22557-0000
 Conductor pipe required None feet
 Minimum surface pipe required 566 feet per Alt. **OK**
 Approved by: [Signature]
 This authorization expires: 4-6-07
 (This authorization void if drilling not started within 6 months of approval 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.
- 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: _____

38
31
35W

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 - 189-22557-0000
Operator: ExxonMobil Oil Corporation
Lease: Barnard
Well Number: 3-32
Field: Panoma
Number of Acres attributable to well: 640
QTR / QTR / QTR of acreage: NE - SW - SW

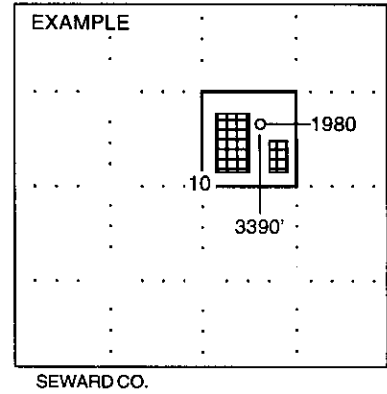
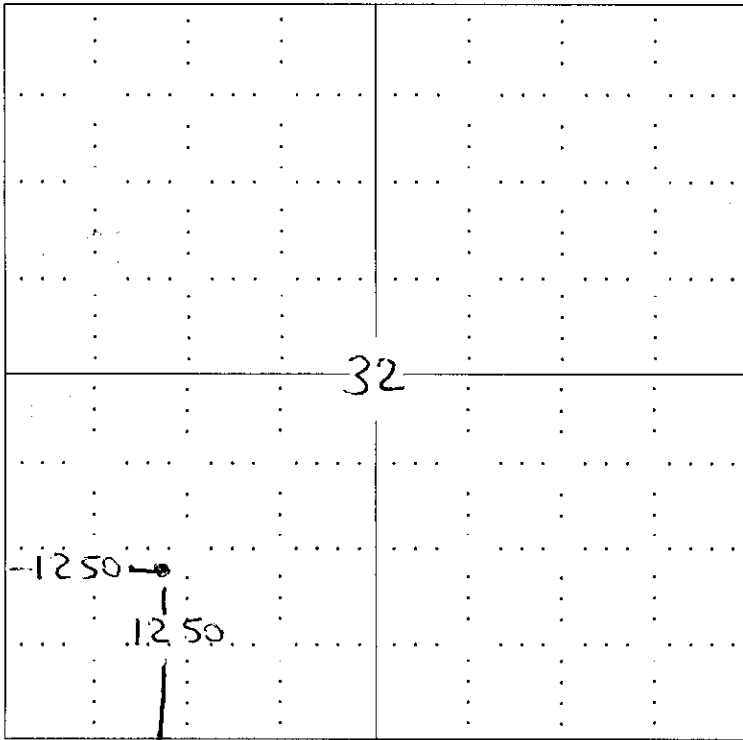
Location of Well: County: Stevens
1250 feet from N / S Line of Section
1250 feet from E / W Line of Section
Sec. 32 Twp. 31 S. R. 35 East West

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.)*



NOTE: In all cases locate the spot of the proposed drilling locaton.

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.
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: (C0-7 for oil wells; CG-8 for gas wells).

PLAT AND CERTIFICATION OF ACREAGE ATTRIBUTABLE TO A GAS WELL

Kansas Corporation Commission, Conservation Division
 Finney State Office Building, 130 South Market, Room 2078
 Wichita, Kansas 67202

API NUMBER 15- 189-22557-0000

LOCATION OF WELL: COUNTY Stevens

OPERATOR ExxonMobil Oil Corporation

1250 feet from south/north line of section

LEASE Barnard

1250 feet from east / west line of section

WELL NUMBER 3-32

FIELD Panoma

SECTION 32 TWP 31 (S) RG 35 ~~N~~/W

IS SECTION REGULAR or IRREGULAR

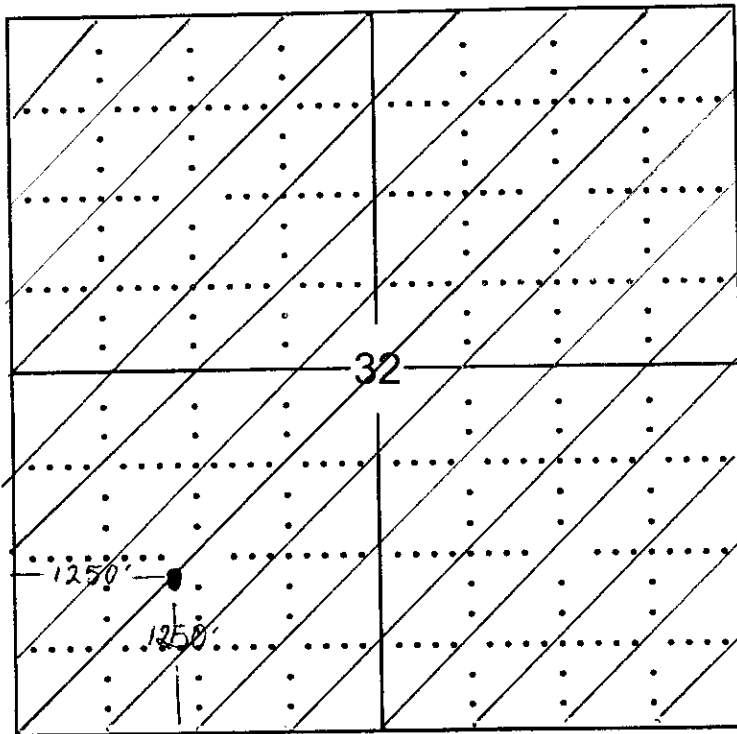
IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY. (check line below)

Section corner used: NE NW SE SW

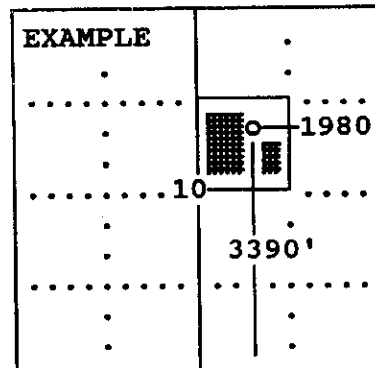
NUMBER OF ACRES ATTRIBUTABLE TO WELL 640

QTR/QTR/QTR OF ACREAGE NE - SW - SW

(Show the location of the well and shade attributable acreage for prorated or spaced wells).
 (Show the footage to the nearest lease or unit boundary line; and show footage to the nearest common source supply well).



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 WICHITA, KS



SEWARD CO.

The undersigned hereby certifies as Landman (title) for

ExxonMobil Oil Corporation (Co.), a duly authorized agent, that all information shown hereon is true and correct to the best of my knowledge and belief, that all acreage claimed attributable to the well named herein is held by production from that well and hereby make application for an allowable to be assigned to the well upon the filing of this form and the State test, whichever is later.

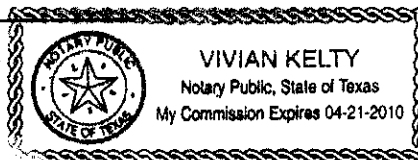
Signature E.W. Wegjiffe

Subscribed and sworn to before me on this 2nd day of October, 19 2006

Vivian Kelty
 Notary Public

My Commission expires 04-21-2010

FORM CG-8 (12/94)



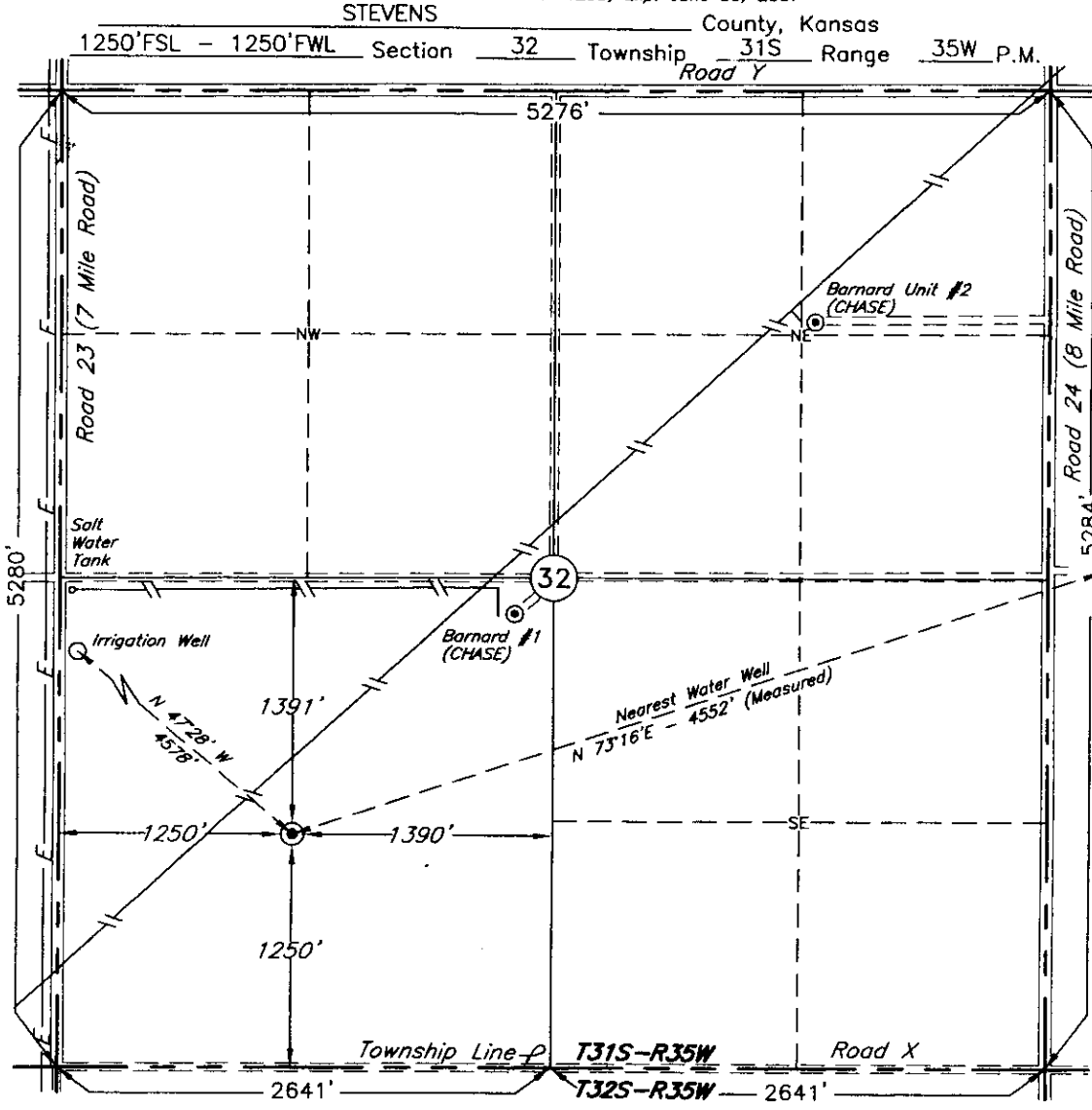
15-189-22557-000

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

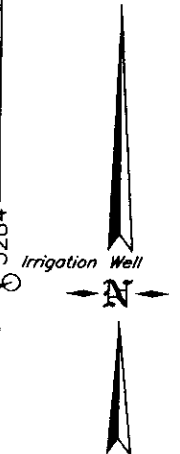
6709 NORTH CLASSEN BLVD., OKLA. CITY, OKLA. 73116 * LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219
Certificate of Authorization No. 1293, Exp. June 30, 2007

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Scale: 1" = 1000'

NEAREST WATER WELL
WITHIN 1 MILE OF
PROPOSED LOCATION
PER KANSAS GEOLOGICAL
SURVEY WWC5 DATABASE:
N47°28'W - 4578'
DEPTH = 560'
N72°16'E - 4552'(Measured)
DEPTH = 522'

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CONSERVATION DIVISION
WICHITA, KS

Operator: ExxonMobil Oil Corporation
 Lease Name: BARNARD

Well No.: 3-32

ELEVATION:
3024' Gr. at Stake

Topography & Vegetation Loc. fell in level cut wheat field

Good Drill Site? Yes

Reference Stakes or Alternate Location
 Stakes Set None

Best Accessibility to Location From West
 Distance & Direction
from Hwy Jct or Town From the Jct. of U.S. Hwy 270 and U.S. Hwy. 56, 1.0 mile Northeast of Hugoton, KS,
go 6.4 miles Northeast on U.S. Hwy. 56, then 5.8 miles East on Road "V", then 2.0 miles North on County Road #23
to the SW Cor. of Sec. 32-T31S-R35W

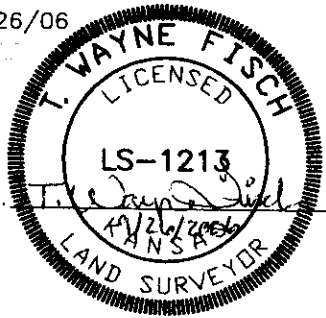
Invoice # 111330 Date Staked: Jun. 20, 2006 MK 9/26/06

GPS: SURVEY GRADE
 DATUM: NAD-27
 LAT: 37°18'13.6"N
 LONG: 101°09'14.2"W
 STATE PLANE
 COORDINATES:
 ZONE: KS-SOUTH
 X: 1228149
 Y: 242965

CERTIFICATE:

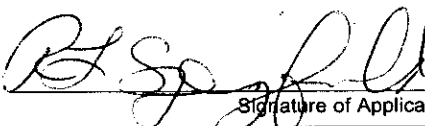
I, T. Wayne Fisch a Registered Land Surveyor
 and an authorized agent of Topographic Land Surveyors,
 do hereby certify that the above described well location
 was surveyed and staked on the ground as shown herein.

Kansas Reg. No. 1213



CONSERVATION DIVISION
WICHITA, KS

Submit in Duplicate

Operator Name: ExxonMobil Oil Corporation		License Number: 5208
Operator Address: P O Box 4358 Houston, TX 77210-4358		
Contact Person: Roy Springfield		Phone Number: (281) 654 - 1932
Lease Name & Well No.: Barnard 3-32		Pit Location (QQQQ): NE SW SW ✓
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	Sec. 32 Twp. 31S R. 35 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1250 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 1250 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Stevens County
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: <3000 mg/l <small>(For Emergency Pits and Settling Pits only)</small>
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used? NA
Pit dimensions (all but working pits): 80 Length (feet) 80 Width (feet) N/A: Steel Pits Depth from ground level to deepest point: 7 (feet)		
If the pit is lined give a brief description of the liner material, thickness and installation procedure. NA		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. NA
Distance to nearest water well within one-mile of pit 4552 feet Depth of water well 560 feet		Depth to shallowest fresh water 522 feet. Source of information: _____ measured _____ well owner _____ electric log <input checked="" type="checkbox"/> KDWR
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: FW Gel Mud Number of working pits to be utilized: 1 Abandonment procedure: Remove clear water, air dry and backfill. _____ Drill pits must be closed within 365 days of spud date.
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.		
_____ 10/05/2006 Date		 _____ Signature of Applicant or Agent

15-189-22557-0000

KCC OFFICE USE ONLY			
Date Received: <u>10/6/06</u>	Permit Number: _____	Permit Date: <u>10/6/06</u>	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

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KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

BRIAN J. MOLINE, CHAIR

ROBERT E. KREIBEL, COMMISSIONER

MICHAEL C. MOFFET, COMMISSIONER

NOTICE TO OPERATORS DRILLING IN THE PANOMA- COUNCIL GROVE GAS POOL SPACED AREA

The enclosed intent is located within the Panoma-Council Grove gas pool space area. In May 1978, Panoma-Council Grove Proration Order (as amended), Docket No. 60,024-C (C-7058) under FINDINGS OF FACT AND LAW on page 31, the following language is stated that:

"The Commission finds that in order to prevent waste and protect correlative rights, the following stated rules pertaining to wells already completed, in the process of being drilled or for future wells to be drilled in the Panoma Council Grove Gas Pool Spaced area, and for wells producing from the Council Grove Formation outside of the Panoma Council Grove Gas Pool Spaced area within the Hugoton Gas Field, should be adopted."

1. "No dual completions between the Chase (Hugoton) and Council Grove Formations will be permitted for future wells drilled."
2. "Casing shall not be set above the top of the Council Grove Formation for a Council Grove producing well."
3. "The production casing of all new Council Grove wells should be cemented with a calculated volume of cement sufficient to encase the casing from the bottom of the casing to a point 500 feet above the Chase Formation."
4. "The casing shall be encased in cement in the interval between the base of the Council Grove and the top of the Chase Formation on all wells, irrespective of depth, completed below the Council Grove Formation, if they are located within the space area."
5. "The cement coverage heretofore required shall be confirmed by the running of a recognized survey, such as a temperature survey or cement bond log."

A copy of this survey and the cement tickets(s) showing that all cement work has been completed, must be filed with the ACO-1 Completion Report within 120 days from the wells "spud date."

Failure to comply with these provisions may cause the well to be shut-in until compliance has been achieved.

If you have any questions, please feel free to contact the Conservation Division's Production Department at (316) 337-6200.