

For KCC Use:

Effective Date: 3-21-07

District # 1

SGA? Yes No

NOTICE OF INTENT TO DRILL

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

Expected Spud Date 3-6-07
month day year

Spot SE SE SW Sec 20 Twp 31 S. R 35 East West

OPERATOR: License # 5278
Name: EOG Resources, Inc.
Address: 3817 NW Expressway, Suite 500
City/State/Zip: Oklahoma City, Oklahoma 73112
Contact Person: MINDY BLACK
Phone: (405) 246-3130

370 feet from N / S Line of Section
2310 feet from E / W Line of Section
Is SECTION Regular Irregular?

(Note: Locate well on Section Plat on Reverse Side)

County: STEVENS
Lease Name: JERRY Well #: 20 #1

Field Name: _____
Is this a Prorated/Spaced Field? Yes No

Target Formation(s): MORROW
Nearest Lease or unit boundary: 330'

Ground Surface Elevation: 3015' feet MSL

Water well within one-quarter mile: yes no

Public water supply within one mile: yes no

Depth to bottom of fresh water: 480'

Depth to bottom of usable water: 600'

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 1700'

Length of Conductor pipe required: 40'

Projected Total Depth: 6300'

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: _____

CONTRACTOR: License #: 30684
Name: ABERCROMBIE RID, INC.

Well Drilled For: Well Class: Type Equipment:

- | | | | |
|--|-----------------------------------|---|--|
| <input type="checkbox"/> Oil | <input type="checkbox"/> Enh Rec | <input type="checkbox"/> Infield | <input checked="" type="checkbox"/> Mud Rotary |
| <input checked="" type="checkbox"/> Gas | <input type="checkbox"/> Storage | <input type="checkbox"/> Pool Ext. | <input type="checkbox"/> Air Rotary |
| <input type="checkbox"/> OWWO | <input type="checkbox"/> Disposal | <input checked="" type="checkbox"/> Wildcat | <input type="checkbox"/> Cable |
| <input type="checkbox"/> Seismic; # of Holes | <input type="checkbox"/> Other | | |
| <input type="checkbox"/> 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 # PVPA 030701

PRORATED & SPACED: HUBBARD & PANOMA
PVPA 030701

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:

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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: 2/26/07 Signature of Operator or Agent: Mindy Black Title: OPERATIONS ASSISTANT

For KCC Use ONLY 189-22582-0000
API # 15- _____
Conductor pipe required None feet
Minimum surface pipe required 620 feet per Alt. 1
Approved by: 2/23-16-07
This authorization expires: 9-10-07
(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 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 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: _____

20-31-35W

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 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- 189-22582-000
 Operator EOG Resources, Inc.
 Lease JERRY
 Well Number 20 #1
 Field _____

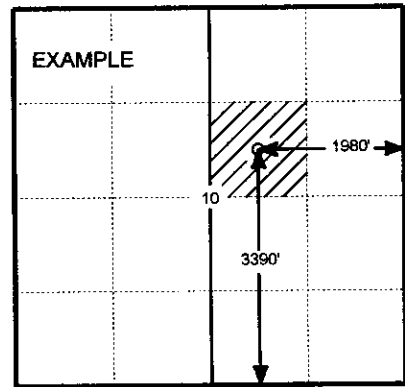
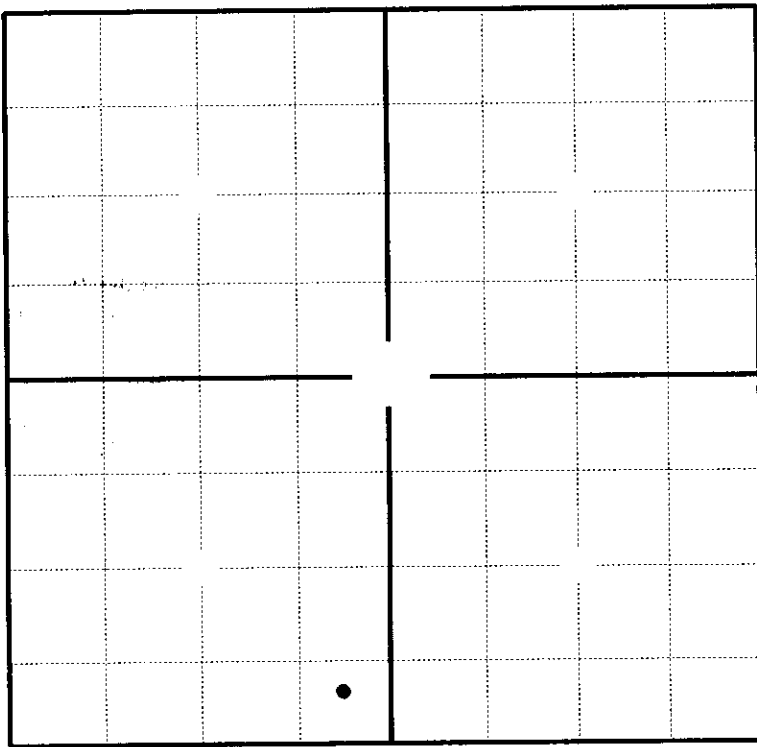
Location of Well: County: STEVENS
 _____ 370 feet from N / S Line of Section
 _____ 2310 feet from E / W Line of Section
 Sec 20 Twp 31 S. R. 35 East West

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

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 nearest lease or unit boundary line)*



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; and
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).

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: EOG Resources, Inc.		License Number: 5278	
Operator Address: 3817 NW Expressway, Suite 500 Oklahoma City, OK 73112			
Contact Person: MINDY BLACK		Phone Number: (405) 246-3130	
Lease Name & Well No.: JERRY 20 #1		Pit Location (QQQQ): N/2 - SE - SE - 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 (If WP Supply API No. or Year Drilled)		Pit is <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If existing, date constructed _____ Pit capacity _____ 12,500 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Sec. 20 Twp. 31S R. 35 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 370 Feet from <input type="checkbox"/> North/ <input checked="" type="checkbox"/> South Line of Section 2310 Feet from <input type="checkbox"/> East/ <input checked="" type="checkbox"/> West Line of Section STEVENS County	
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	
Chloride concentration: _____ mg/l (For Emergency Pits and Settling Pits, only)		How is pit lined if a plastic liner is not used?	
Pit dimensions (all but working pits): 125 Length (feet) 125 Width (feet) _____ N/A Steel Pits Depth from ground level to deepest point 5 (feet)			
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.	
Distance to nearest water well within one-mile of pit 1545 feet Depth of water well 368 feet		Depth to shallowest fresh water 304 480 ^{WICHITA, KS} feet Source of information: <input checked="" type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input 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 pond? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover GEL Number of working pits to be utilized NONE Abandonment procedure: EVAPORATION/DEWATER AND BACKFILLING OF RESERVE PIT. 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.			
_____ Date 2/26/07		_____ Signature of Applicant or Agent Mindy Black	
KCC OFFICE USE ONLY			
Date Received: 3/1/07 Permit Number: _____ Permit Date: 3/1/07 Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

15-189-22582-0000

KANSAS CORPORATION COMMISSION
 CONSERVATION DIVISION
 130 S. Market - Room 2078
 Wichita, Kansas 67202

Form VPA-1
 4/01

PVPA 030701

VERIFIED AFFIDAVIT FOR USE OF MUD AS AN
 ALTERNATIVE TO THE CEMENTING REQUIREMENT IN §18(D)
 OF THE PANOMA COUNCIL GROVE B.P.O.

FORM MUST BE TYPED

Submit in Duplicate
 Attach to Drilling Permit

Operator Name EOG Resources, Inc.				KCC License No. 5278	
Operator Address 3817 NW Expressway Suite #500 Oklahoma City, OK 73112					
Contact Person Mindy Black				Telephone No. (405) 246-3130	
Lease Name & No. Jerry 20 #1			API No. 15-189-22582-0000		KCC Lease Code No.
Location Quarter SW	Section 20	Township 31S	Range 35W	370 E/W (circle one) 2310	FL from N (S circle one) Line of Sec. FL from E (W circle one) Line of Sec.
County Stevens	Field Name		Producing Formation Group Morrow		Mud Weight 8.7

AFFIDAVIT CERTIFICATE OF SERVICE

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements here are complete and correct to the best of my knowledge. The well subscribed to in this Affidavit will be completed in accordance with all applicable rules and regulations of the KCC. However, applicant intends to use drilling mud of sufficient weight across the interval between the base of the Council Grove Group and the top of the Chase Group as an alternative to the cementing requirements found in paragraph 18(D) of the Panoma Council Grove B.P.O. unless an objection is filed within 15 days of service of this Affidavit. I hereby certify that I caused a true and correct copy of the foregoing Affidavit and any attachments of said Affidavit to be served by placing the same in the United States mail, postage prepaid, to the following parties, which represent all of the operators or lessees of record and the owners of record of unleased acreage within a one mile radius of the well, including operators and working interest owners having interests in the lands covered by the unit on which the well is to be drilled:

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Signature Mindy Black Date February 28, 2007
 Title Operations Assistant

Subscribed and sworn to before me this 28 day of FEBRUARY, 2007
 Notary Public Heather Nealson
 Date Commission Expires 4-26-08

HEATHER NEALSON
 Cleveland County
 Notary Public in and for
 State of Oklahoma
 Commission # 04003796 Expires 4/26/08

15-189-22582-0000

Exhibit "A"
Jerry 20 #1
Section 20-31S-35W
Stevens County, Kansas

Page 1 of 1

1. ExxonMobil Production Company
P.O. Box 4610
Houston, TX 77210-4610

End of Exhibit "A"

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KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR
BRIAN J. MOLINE, CHAIR
ROBERT E. KREHBIEL, COMMISSIONER
MICHAEL C. MOFFET, COMMISSIONER

March 16, 2007

Mindy Black
EOG Resources, Inc.
3817 NW Expressway, Suite 500
Oklahoma City, OK 73112

Re: Jerry 20 #1 API #15-289-22582-0000
Docket # PVPA 030701
SW Sec.20-T31S-R35W
Stevens County, Kansas

Dear Ms. Black,

The form VPA-1 affidavit filed for the above-referenced well stated that service of the affidavit was mailed on February 28, 2007. The fifteen (15) day protest period has expired and we have not received any protests. Therefore, we are advising you that the drilling of this well may commence and, in lieu of cement, drilling mud of the weight specified in your affidavit may be used across the interval between the base of the Council Grove group and the top of the Chase group.

Sincerely,



Rick Hestermann
Production Department

KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

BRIAN J. MOLINE, CHAIR

ROBERT E. KREHBIEL, 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.