

For KCC Use:  
Effective Date: 6-20-07  
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 07/11/07  
month day year

Spot:  East  West  
NE - NE - NE Sec. 7 Twp. 34S R. 35

OPERATOR: License # 5447

330.0 feet from  N /  S Line of Section

330.0 feet from  E /  W Line of Section

Name: OXY USA Inc.  
Address: P.O. Box 2528  
City/State/Zip: Liberal, KS 67905  
Contact Person: Rafael Bacigalupo  
Phone: (620) 629-4229

Is SECTION  Regular  Irregular

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

County: Stevens

Lease Name: Lohrens A Well #: 2

Field Name: unknown

CONTRACTOR: License # 30606

Is this a Prorated / Spaced Field?  Yes  No

Name: Murfin Drilling Inc.

Target Formation(s): Lower Morrow

Nearest Lease or unit Boundary: 330' FNL / 330' FEL

Well Drilled For: Well Class: Type Equipment:

Ground Surface Elevation: 3012.1 feet MSL

Oil  Enh Rec  Infield  Mud Rotary

Water well within one-quarter mile  Yes  No

Gas  Storage  Pool Ext  Air Rotary

Public water supply well within one mile:  Yes  No

OWWO  Disposal  Wildcat  Cable

Depth to bottom of fresh water: 680'

Depth to bottom of usable water: 680'

Seismic: # of Holes  Other

Other

Surface Pipe by Alternate:  1  2

Length of Surface Pipe Planned to be set: 1380'

Length of Conductor Pipe Required: 1380'

Projected Total Depth: 6104'

Formation at Total Depth: Lower Morrow

Water Source for Drilling Operations:

Directional, Deviated or Horizontal wellbore?  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?  Yes  No

If Yes, Proposed zone:

**Prorated & Space Hugoton Panama 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.

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

Date: 06/07/07 Signature of Operator or Agent: [Signature] Title: Capital Project

**For KCC Use ONLY**

API # 15 - 189-22600-00-00

Conductor pipe required none feet

Minimum Surface pipe required 700 feet per Alt.

Approved by: SB 6-15-07

This authorization expires: 12-15-07

(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 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:

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

7 34 35M

**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 - 189-22600-000  
 Operator: \_\_\_\_\_  
 Lease: \_\_\_\_\_  
 Well Number: \_\_\_\_\_  
 Field: \_\_\_\_\_

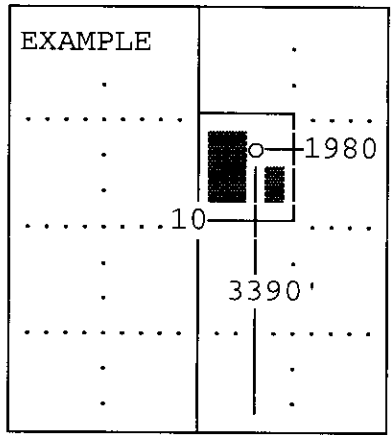
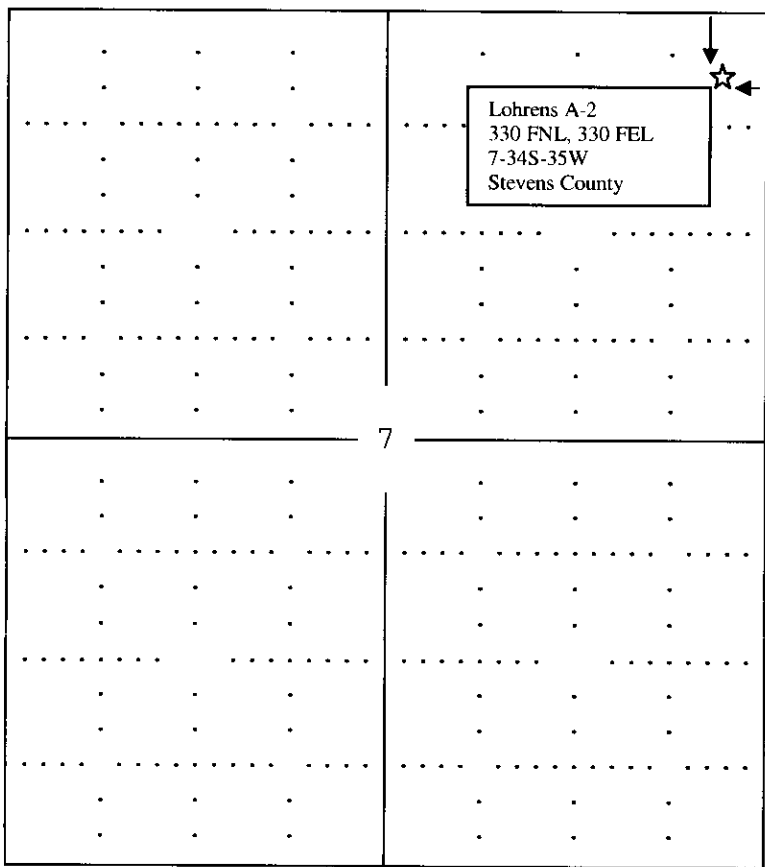
Location of Well: County \_\_\_\_\_  
 \_\_\_\_\_ feet from  N /  S Line of Section  
 \_\_\_\_\_ feet from  E /  W Line of Section  
 Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ R. \_\_\_\_\_  East  West

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

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.**

**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).

# 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- \_\_\_\_\_

LOCATION OF WELL: COUNTY Stevens

OPERATOR OXY USA Inc.

LEASE Lohrens A

WELL NUMBER 2

FIELD \_\_\_\_\_

330 feet from south/north line of section  
330 feet from east / west line of section

SECTION 7 TWP 34 (S) RG 35 E/W

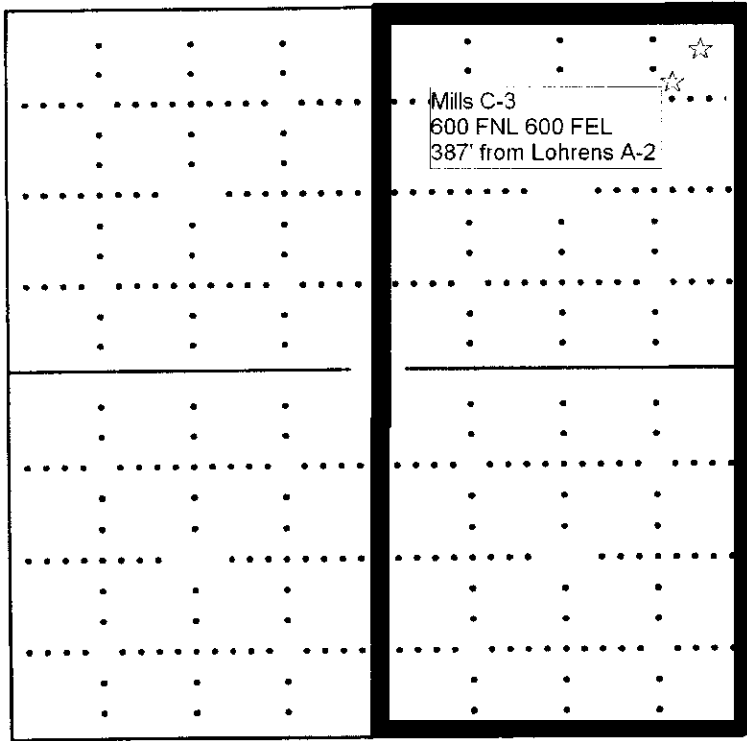
IS SECTION X REGULAR or \_\_\_\_\_ IRREGULAR

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 10  
 QTR/QTR/QTR OF ACREAGE NE - NE - NE

(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).

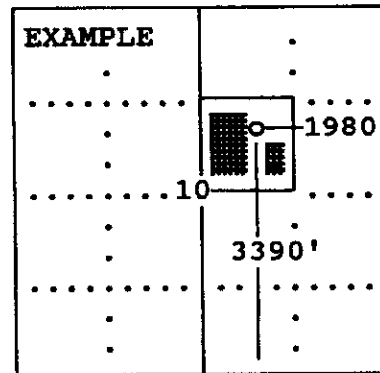


Lohrens A-2  
 330 FNL 330 FEL  
 Sec 7 T34S R35W  
 Stevens Co, KS

RECEIVED  
 KANSAS CORPORATION COMMISSION

JUN 14 2007

CONSERVATION DIVISION  
 WICHITA, KS



SEWARD CO.

The undersigned hereby certifies as \_\_\_\_\_ Financial Planning Analyst (title) for

OXY USA Inc.

(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.

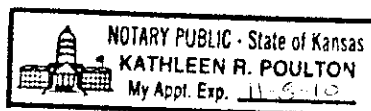
Signature \_\_\_\_\_

Subscribed and sworn to before me on this 11<sup>th</sup> day of June, 19 2007

Notary Public

My Commission expires November 9, 2010

FORM CG-8 (12/94)



15-189-22400-22-20

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

Form VPA-1  
 RECEIVED 4/01  
 KANSAS CORPORATION COMMISSION

JUN 14 2007

CONSERVATION DIVISION  
 WICHITA, KS

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 <b>OXY USA Inc.</b>		KCC License No. <b>5447</b>	
Operator Address <b>1701 N Kansas, Liberal, KS 67901</b>			
Contact Person <b>Rafael Bacigalupo</b>		Telephone No. <b>620-629-4229</b>	
Lease Name & No. <b>Lohrens A-2</b>		API No.	KCC Lease Code No. <b>61529206 &amp; 61549052</b>
Location Quarter <b>NE/4</b>	Section <b>7</b>	Township <b>34S</b>	Range <b>35</b> E/W (circle one) <b>330</b> Ft. from <input checked="" type="radio"/> N / S (circle one) Line of Sec. Ft. from <input type="radio"/> E / W (circle one) Line of Sec.
County <b>Stevens</b>	Field Name	Producing Formation Group <b>Lower Morrow</b>	Mud Weight <b>9.0 ppg</b>

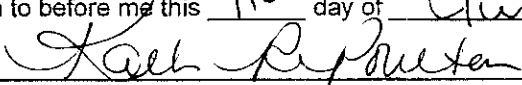
**AFFIDAVIT CERTIFICATE OF SERVICE**

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:

<u>Operator / WI Owner</u>	<u>Address</u>	<u>City, State, Zip</u>
Four Star Oil & Gas Company c/o Chevron Tax Dept.	PO Box 285	Houston, TX 77001
Chevron North America Production Company c/o Chevron Tax Dept	PO Box 285	Houston, TX 77001
BP America Production Company	501 Westlake Park Blvd	Houston, TX 77079

Signature  Date 06/11/07  
 Title Financial Planning Analyst / Capital Projects

Subscribed and sworn to before me this 11th day of June, 2007.

Notary Public 



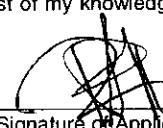
Date Commission Expires November 9, 2010

15-189-22600-51

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
**APPLICATION FOR SURFACE PIT**

Form CDP-1  
April 2004  
Form must be Typed

Submit in Duplicate

Operator Name: <b>OXY USA Inc.</b>		License Number: <b>5447</b>
Operator Address: <b>P. O. Box 2528, Liberal, KS 67901</b>		
Contact Person: <b>Wes Willimon</b>		Phone Number: ( <b>620</b> ) <b>629 - 4200</b>
Lease Name & Well No.: <b>Lohrens A-2</b>		Pit Location (QQQQ): _____ <b>NE</b> _____ <b>NE</b> _____ <b>NE</b>
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: <b>16000</b> (bbis)	Sec. <b>7</b> Twp. <b>34S</b> R. <b>35</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>330</b> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <b>330</b> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <b>Stevens</b> _____ County
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ 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? <b>Bentonite &amp; Cuttings</b>
Pit dimensions (all but working pits): <b>150</b> Length (feet) <b>150</b> Width (feet) _____ <b>N/A: Steel Pits</b> Depth from ground level to deepest point: <b>4</b> (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 <b>914</b> feet    Depth of water well <b>530</b> feet		Depth to shallowest fresh water <b>217</b> feet. Source of information: _____ measured _____ well owner _____ electric log <b>(2)</b> KDWR
<b>Emergency, Settling and Burn Pits ONLY:</b> 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		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: <b>Fresh Water Mud</b> Number of working pits to be utilized: _____ Abandonment procedure: <b>Evaporation and Backfill</b> 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.		<b>RECEIVED</b> KANSAS CORPORATION COMMISSION
_____ Date <b>06/08/07</b>	_____ Signature of Applicant or Agent 	<b>JUN 14 2007</b> CONSERVATION DIVISION WICHITA, KS
<b>KCC OFFICE USE ONLY</b>		
Date Received: <b>6/14/07</b> Permit Number: _____ Permit Date: <b>6/14/07</b> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

15-189-22600-0000