

For KCC Use:
Effective Date: 10-7-07
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 10/05/07
month day year

Spot: East
SW - NE - NE Sec. 10 Twp. 32S R. 34 West

OPERATOR: License # 5447

1000.0 feet from N / S Line of Section

Name: OXY USA Inc.

1000.0 feet from E / W Line of Section

Address: P.O. Box 2528

Is SECTION X Regular _____ Irregular _____

City/State/Zip: Liberal, KS 67905

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

Contact Person: Rafael Bacigalupo

County: Seward

Phone: (620) 629-4229

Lease Name: Hickman A Well #: 3

CONTRACTOR: License # 33784

Field Name: Hugoton

Name: Trinidad Drilling Limited Partnership.

Is this a Prorated / Spaced Field? Yes No

Well Drilled For: Well Class: Type Equipment:

Target Formation(s): Chase

Oil Enh Rec Infield Mud Rotary

Nearest Lease or unit Boundary: 1000'

Gas Storage Pool Ext Air Rotary

Ground Surface Elevation: 2844.8 feet MSL

OWWO Disposal Wildcat Cable

Water well within one-quarter mile Yes No

Seismic: # of Holes Other

Public water supply well within one mile: Yes No

Other

Depth to bottom of fresh water: 420

Depth to bottom of usable water: 580

If OWWO: old well information as follows:

Surface Pipe by Alternate: 1 2

Operator: _____

Length of Surface Pipe Planned to be set: 800'

Well Name: _____

Length of Conductor Pipe Required: _____

Original Completion Date: _____ Original Total Depth: _____

Projected Total Depth: 3000'

Formation at Total Depth: Chase

Directional, Deviated or Horizontal wellbore? Yes No

Water Source for Drilling Operations:

IF Yes, true vertical depth _____

Well Farm Pond Other _____

Bottom Hole Location _____

DWR Permit # _____

KCC DKT #: _____

Will Cores be Taken? Yes No

If Yes, Proposed zone: _____

PRORATED & SPACED: HUGOTON

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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OCT 01 2007

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: 09/28/07 Signature of Operator or Agent: _____ Title: Capital Project

For KCC Use ONLY

API # 15 - 175-22113-0000

Conductor pipe required None feet

Minimum Surface pipe required 600 feet per Alt. 1

Approved by: Kut 10-2-07

This authorization expires: 4-2-08

(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: _____

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

10-32-34W

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 - 175-22113-0000
 Operator: OXY USA Inc
 Lease: Hickman A
 Well Number: 3
 Field: Hugoton

Location of Well: County Seward
 _____ feet from N / S Line of Section
 _____ feet from E / W Line of Section
 Sec. 10 Twp. 32S R. 34 East West

Number of Acres attributable to well: 640
 QTR / QTR / QTR of acreage: SW - NE - NE

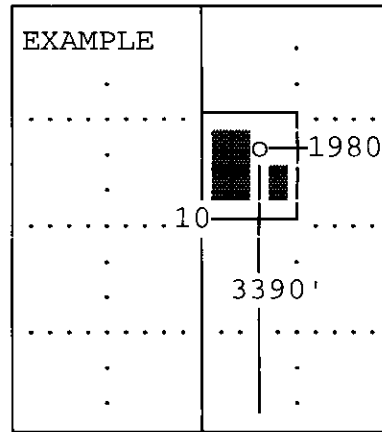
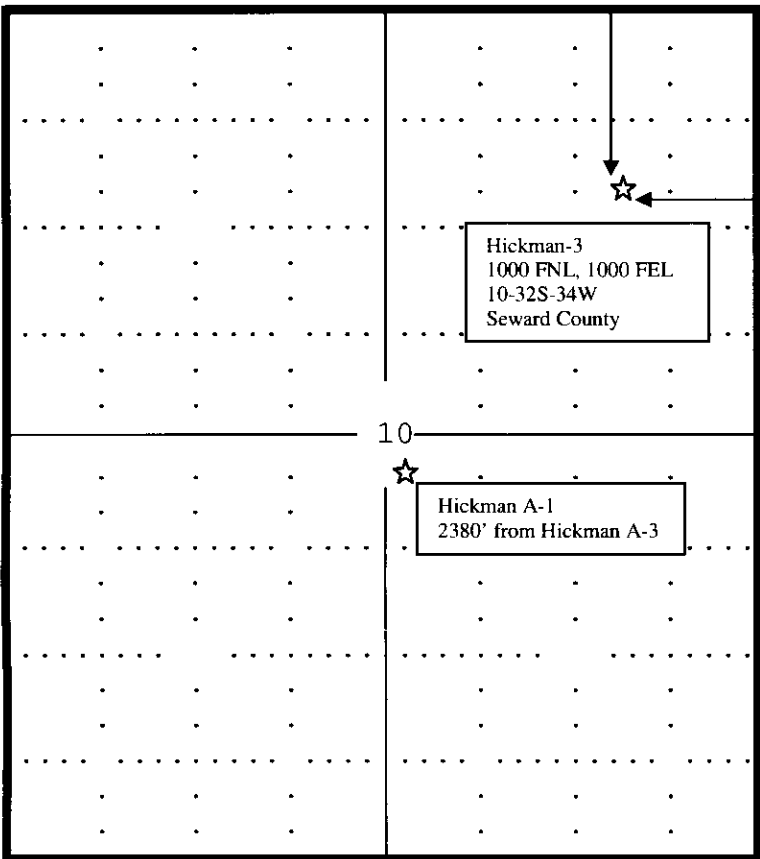
Is Section Regular or Irregular

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).

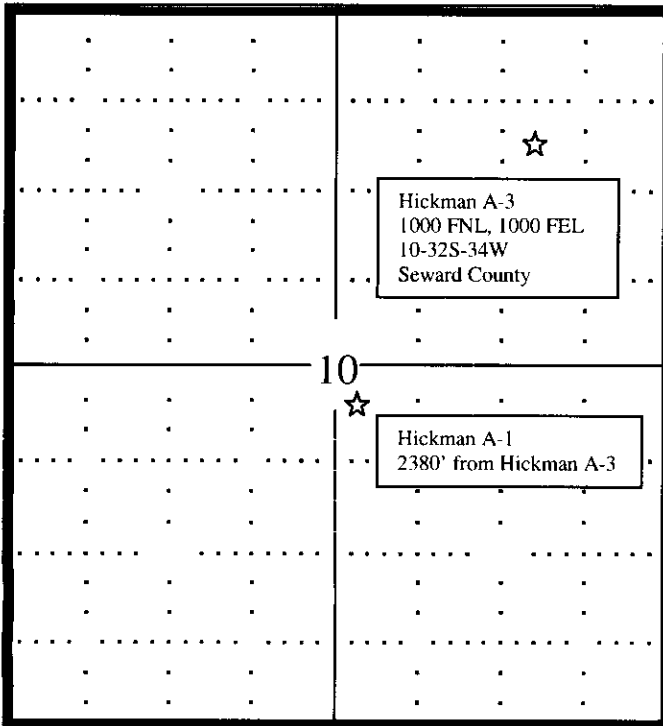
PLAT AND CERTIFICATION OF ACREAGE ATTRIBUTABLE TO A GAS WELL

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

API NUMBER 15-175-22113-0000
 OPERATOR OXY USA Inc.
 LEASE Hickman A
 WELL NUMBER 3
 FIELD Hugoton
 NUMBER OF ACRES ATTRIBUTABLE TO WELL 640
 QTR/QTR/QTR OF ACREAGE SW — NE — NE

LOCATION OF WELL: COUNTY Seward
1000 Feet from south / (north) line of section
1000 Feet from (east) / west line of section
 SECTION 10 TWP 32 (S) RG 34 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

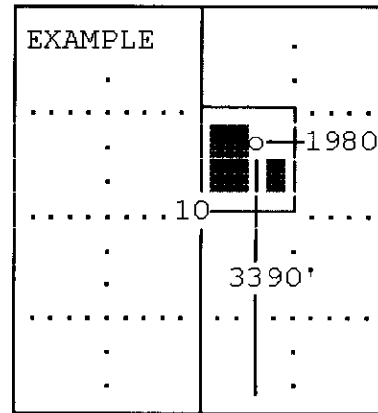
(Show the location of the well and shade attributable acreage for prorated or spaced wells). (Show the footage to the nearest lease or unit boundary line; and show footage to the nearest common source supply well).



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CONSERVATION DIVISION
 WICHITA, KS



The undersigned hereby certifies as Capital Projects (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.

Subscribed and sworn to before me on this 26th day of Sept, 2007

Signature [Signature]

Anita Peterson

Notary Public

My Commission expires Oct. 1, 2009

ANITA PETERSON
 Notary Public - State of Kansas
 My Appt. Expires October 1, 2009

FORM CG-8 (12/94)

