

\* API #  
**CORRECTED**  
4-708

For KCC Use:  
Effective Date: 2-13-08  
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 02/20/2008  
month day year

Spot:  East  West  
SE - NW - NW Sec. 10 Twp. 24S R. 35

OPERATOR: License # 5447

1250 feet from  N /  S Line of Section

Name: OXY USA Inc.

1250 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: Kenny Andrews

County: Kearny

Phone: (620) 629-4232

Lease Name: Sharp A Well #: 4

CONTRACTOR: License # 30806

Field Name: Hugoton

Name: Murfin Drilling Co., Inc.

Is this a Prorated / Spaced Field?  Yes  No

Well Drilled For: Well Class: Type Equipment:

Target Formation(s): Council Grove

- Oil  Gas
- Enh Rec  Storage
- Infield  Pool Ext
- Mud Rotary  Air Rotary
- OWWO  Disposal
- Wildcat  Cable
- Seismic: # of Holes  Other
- Other

Ground Surface Elevation: 2994.25 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: 400

Depth to bottom of usable water: 900

II OWWO: old well information as follows:

Surface Pipe by Alternate:  1  2

Length of Surface Pipe Planned to be set: 950'

Length of Conductor Pipe Required:

Projected Total Depth: 3050'

Formation at Total Depth: Council Grove

Water Source for Drilling Operations:

Well  Farm Pond Other

DWR Permit #

(Note: Apply for Permit with DWR )

Directional, Deviated or Horizontal wellbore?  Yes  No

Will Cores be Taken?  Yes  No

IF Yes, true vertical depth

If Yes, Proposed zone: **RECEIVED**

Bottom Hole Location

KCC DKT #:

KANSAS CORPORATION COMMISSION

**PRORATED & SPACED: HUGOTON-PANOMA 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:

**FEB 07 2008**

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- Notify the appropriate district office prior to spudding of well;
- A copy of the approved notice of intent to drill shall be posted on each drilling rig;
- 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 uncemented materials plus a minimum of 20 feet into the underlying formation.
- 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;
- The appropriate district office will be notified before well is either plugged or production casing is cemented in;
- 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: 02/08/2008 Signature of Operator or Agent: [Signature] Title: Kenny Andrews, Production Lead

**For KCC Use ONLY**

\* API # 15 - 093-21824-0000

Conductor pipe required None feet

Minimum Surface pipe required 920 feet per Alt. **OX**

Approved by: [Signature] 2-8-08 4-708

This authorization expires: 2-20-09

(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

\* WAS: API # 15-093-21825  
IS: API # 15-093-21824

10-24-35W

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

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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.

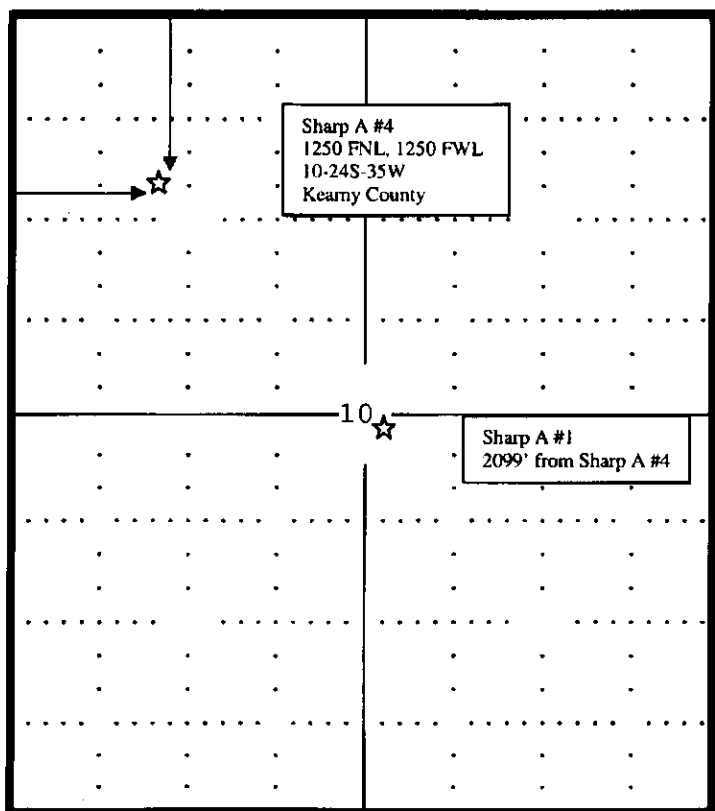
API No. 15 - 093-21824-0000
Operator: OXY USA Inc
Lease: Sharp A
Well Number: 4
Field: Hugoton

Location of Well: County Kearny
1250 feet from N / S Line of Section
1250 feet from E / W Line of Section
Sec. 10 Twp. 24S R. 35
Is Section Regular or Irregular
IF Section Is Irregular, locate well from nearest corner boundary.
Section corner used: NE NW SE SW

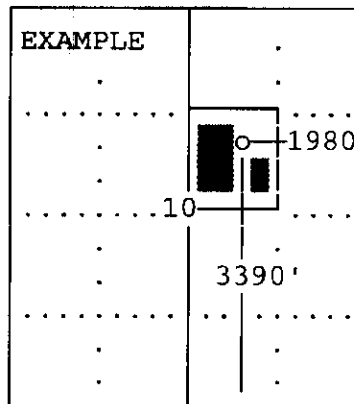
Number of Acres attributable to well: 640
QTR / QTR / QTR of acreage: SE - NW - NW

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.)



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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).

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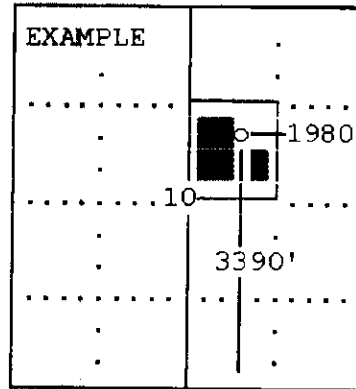
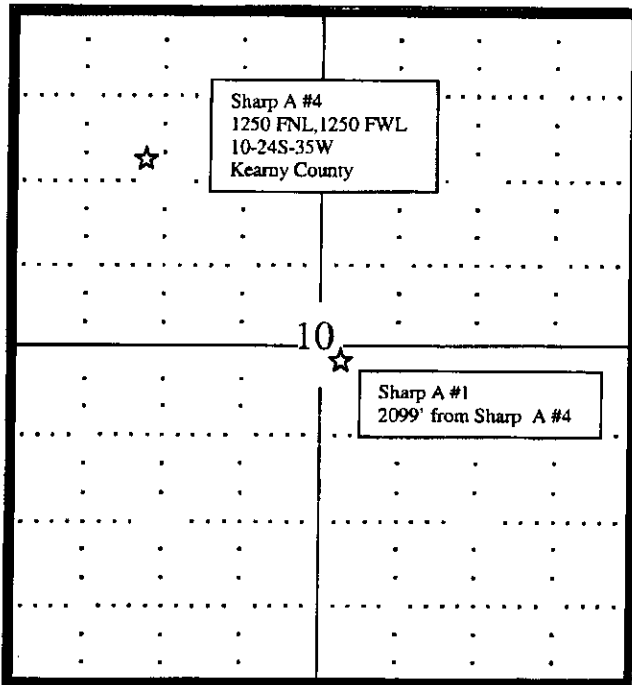
**PLAT AND CERTIFICATION OF ACREAGE ATTRIBUTABLE TO A GAS WELL**

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

API NUMBER 15-093-21824-0000  
OPERATOR OXY USA Inc.  
LEASE Sharp A  
WELL NUMBER 4  
FIELD Hugoton  
NUMBER OF ACRES ATTRIBUTABLE TO WELL 640  
QTR/QTR/QTR OF ACREAGE SE — NW — NW

LOCATION OF WELL: COUNTY Kearny  
1250 Feet from south / (north) line of section  
1250 Feet from east / (west) line of section  
SECTION 10 TWP 24 (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

(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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The undersigned hereby certifies as \_\_\_\_\_ Production Lead \_\_\_\_\_ (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 6<sup>th</sup> day of Feb., 2008

Signature [Handwritten Signature]  
Anita Peterson  
Notary Public

My Commission expires Oct. 1, 2009

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

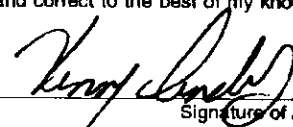
FORM CG-8 (12/94)

API #  
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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>Jimmy Welch</b>		Phone Number: ( <b>620</b> ) <b>277 - 2203</b>	
Lease Name & Well No.: <b>Sharp A-4</b>		Pit Location (QQQQ): <b>SE NW NW</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>1000</b> (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input 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>70</b> Length (feet) <b>20</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>3154</b> feet    Depth of water well <b>382</b> feet		Depth to shallowest fresh water <b>57</b> feet. Source of information: _____ measured _____ well owner _____ electric log _____ 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.			
_____ 02/06/08 Date		 _____ Signature of Applicant or Agent	
<b>KCC OFFICE USE ONLY</b>			
Date Received: <b>2/7/08</b> Permit Number: _____ Permit Date: <b>2/7/08</b> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

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