

For KCC Use: 5-13-08  
 Effective Date: \_\_\_\_\_  
 District # 1  
 SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
 OIL & GAS CONSERVATION DIVISION

Form C-1  
 October 2007  
 Form must be Typed  
 Form must be Signed  
 All blanks must be Filled

**NOTICE OF INTENT TO DRILL**

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

Expected Spud Date: 06/20/2008  
 month day year

OPERATOR: License# 5447 ✓  
 Name: OXY USA, Inc.  
 Address 1: P O Box 2528  
 Address 2: \_\_\_\_\_  
 City: Liberal State: KS Zip: 67880 + \_\_\_\_\_  
 Contact Person: Jarod Powell  
 Phone: 620-629-4227  
 CONTRACTOR: License# 30606 ✓  
 Name: Murfin Drilling Co., Inc.

Well Drilled For:  Oil  Gas  Enh Rec  Storage  Disposal  Seismic: \_\_\_\_\_ # of Holes  Other: \_\_\_\_\_  
 Well Class:  Infield  Pool Ext.  Wildcat  Other  
 Type Equipment:  Mud Rotary  Air Rotary  Cable

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 #: 08-CONS-074-CUNI

Spot Description:  
 NW - NW - NW - NW Sec. 22 Twp. 28 S. R. 36  E  W  
 (0/0/0) 210 feet from  N /  S Line of Section  
 150 feet from  E /  W Line of Section

Is SECTION:  Regular  Irregular?  
 (Note: Locate well on the Section Plat on reverse side)

County: Grant  
 Lease Name: Rademacher ATU "A" Well #: 5  
 Field Name: Hugoton-Panoma Commingled

Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Council Grove

Nearest Lease or unit boundary line (in footage): 1040  
 Ground Surface Elevation: 3077.46 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: 480  
 Depth to bottom of usable water: 680

Surface Pipe by Alternate:  I  II  
 Length of Surface Pipe Planned to be set: 750'

Length of Conductor Pipe (if any): \_\_\_\_\_  
 Projected Total Depth: 3150  
 Formation at Total Depth: Council Grove

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: \_\_\_\_\_

**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 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 correct to the best of my knowledge and belief.

Date: 05/06/2008 Signature of Operator or Agent: Jarod Powell Title: Capital Assets

**For KCC Use ONLY**  
 API # 15 - 067-21654-0000  
 Conductor pipe required None feet  
 Minimum surface pipe required 700 feet per ALT.  I  II  
 Approved by: KMP 5-8-08  
 This authorization expires: 5-8-09  
 (This authorization void if drilling not started within 12 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 (within 60 days);
- 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 Date: \_\_\_\_\_  
 Signature of Operator or Agent: \_\_\_\_\_

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 WICHITA, KS

22  
28  
36  
 E  
 W

**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 - 067-21654-0000  
Operator: OXY USA, Inc.  
Lease: Rademacher ATU "A"  
Well Number: 5  
Field: Hugoton-Panoma Commingled

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

Location of Well: County: Grant  
210 feet from  N /  S Line of Section  
150 feet from  E /  W Line of Section  
Sec. 22 Twp. 28 S. R. 36  E  W

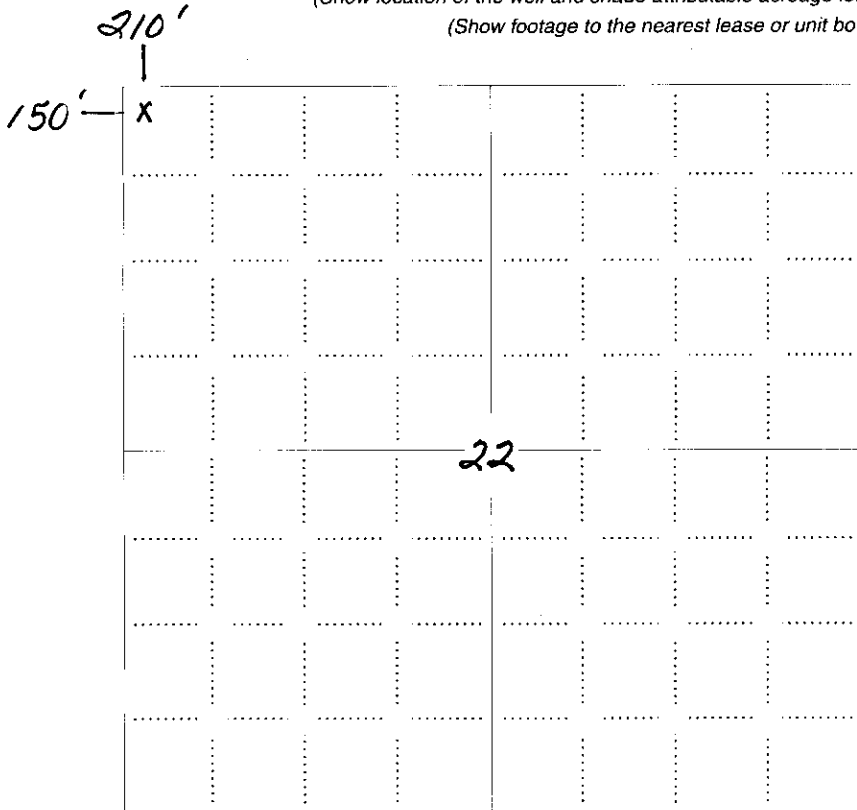
Is Section:  Regular or  Irregular

**If Section is Irregular, locate well from nearest corner boundary.**

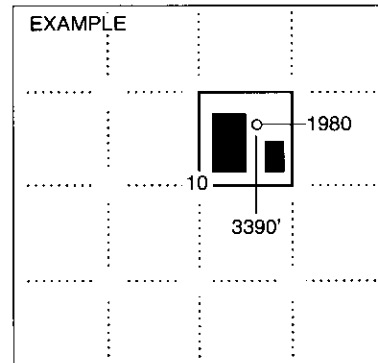
Section corner used:  NE  NW  SE  SW

**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.)*



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SEWARD CO.

**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 south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
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).

16

15

OXY USA INC.  
HAMPTON E

2 ●

OXY USA INC.  
HAMPTON

1 ●

OXY USA INC.  
BRADLEY A

1 ●

OXY USA INC.  
BRADLEY A

2 ●

OXY USA INC.  
BRADLEY A

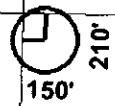
3 ●

OXY USA INC.  
HAMPTON E

3 ●

OXY USA INC.  
Rademacher ATU A

5



21

OXY USA INC.  
MCCALL A

2 ●

22

OXY USA INC.  
RADEMACHER A

2 ●

OXY USA INC.  
MCCALL A

1 ●

OXY USA INC.  
RADEMACHER A

1 ●

OXY USA INC.  
MCCALL A

3 ●

OXY USA INC.  
RADEMACHER A

4 ●

OXY USA INC.  
MCCALL B

3 ●

28S 36W

1320 0 1320 2640 us ft



ATU Outline - - - - -

Well Status



GAS



GAS P&A

Council Grove Well



Chase Well



Proposed Commingled Well



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OXY USA Inc.  
Mid-Continent Assets

Rademacher ATU A 5  
Grant County, Kansas  
Sec 22 - T28S - R36W

Author: B. Vollertsen

Date: Apr. 29, 2008

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

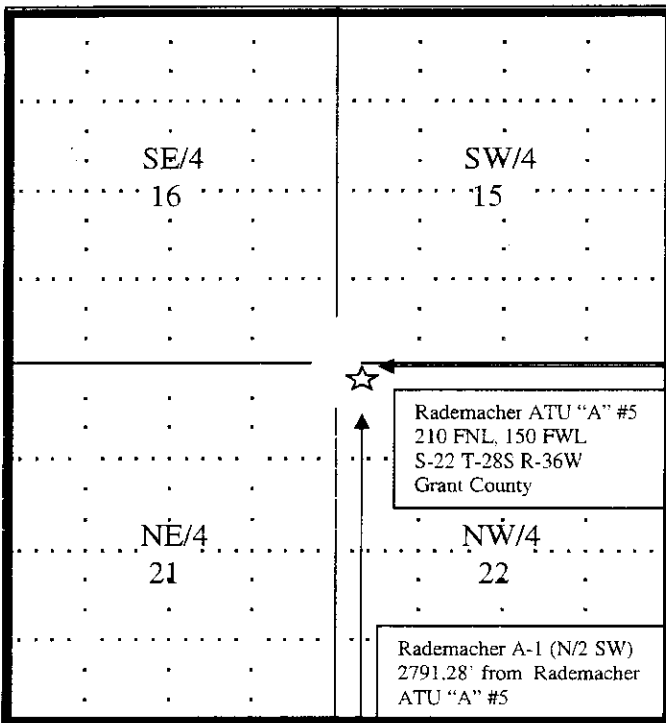
Kansas Corporation Commission, Conservation Division  
 Finney State Office Building, 130 South Market, Room 2078  
 Wichita, Kansas 67202

08-CONS-074-CUNT

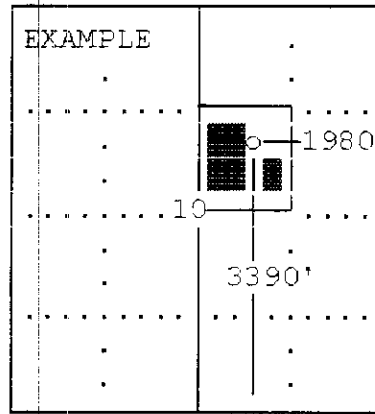
API NUMBER 15-067-21654-0000  
 OPERATOR OXY USA Inc.  
 LEASE Rademacher ATU A  
 WELL NUMBER 5  
 FIELD Hugoton-Panoma Commingled  
 NUMBER OF ACRES ATTRIBUTABLE TO WELL 640  
 QTR/QTR/QTR OF ACREAGE NW — NW — NW

LOCATION OF WELL: COUNTY Grant  
210 Feet from south / north line of section  
150 Feet from east / west line of section  
 SECTION 22 TWP 28 (S) RG 36 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 \_\_\_\_\_ Capital Assers \_\_\_\_\_ (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 May, 2008

Signature [Signature]  
[Signature]  
 Notary Public

My Commission expires Oct. 1, 2009

FORM CG-8 (12/94)

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

15067-21654-0000

THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

CERTIFICATE OF ESTABLISHMENT OF UNIT AREA

The State Corporation Commission of the State of Kansas (the "Commission") hereby certifies the following pursuant to K.S.A. 55-1313:

1. On March 25, 2008, the Commission entered its Order Granting Unitization in Docket No. 08-CONS-074-CUNI authorizing the creation of the Rademacher A-5 Alternate Tract Unit unitizing the Chase and Council Grove formations underlying the following lands in Grant County, Kansas:

- Section 15: Southwest Quarter
Section 16: Southeast Quarter
Section 21: Northeast Quarter
Section 22: Northwest Quarter
In Township 28 South, Range 36 West, Grant County, Kansas.

2. The Order Granting Unitization was issued pursuant to the Application filed by OXY USA Inc. under the Kansas Unitization Act, K.S.A. 55-1301, et seq. (the "Act"), on December 27, 2007. Approval of the Unit Agreement and Unit Operating Agreement by the percentages of royalty interest owners and working interest owners required by the Act was obtained prior to filing of the Application. Commencement of unit operations will start on the effective date of the Order.

3. The tracts comprising this unit and the allocation of production from the unit among the owners of each tract is as fully setout in the Unit Agreement and Unit Operating Agreement.

STATE OF KANSAS, GRANT COUNTY, S.S.
THIS INSTRUMENT WAS FILED FOR RECORD ON THE 16th DAY OF April A.D. 2008 AT 11:52 O'CLOCK A. M. AND DEED RECORDED IN BOOK 34 OF OIL & GAS AT PAGE 90-91 FEE \$ 8.00
4.00 MARY K. SULLIVAN
12.00 REGISTER OF DEEDS
BY Mary K. Sullivan



COPIES

Preparation MS
Number MS
Date MS
Index MS
Sign MS
Cert MS
City MS

APR 18 2008

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MAY 07 2008

CONSERVATION DIVISION WICHITA, KS

IN WITNESS WHEREOF, this Certificate has been executed by the Kansas Corporation Commission on this 2<sup>ND</sup> day of APRIL, 2008.

KANSAS CORPORATION COMMISSION

[Signature]  
Thomas E. Wright, Chairman

[Signature]  
Michael C. Moffet, Commissioner

[Signature]  
Joseph F. Harkins, Commissioner

ATTEST:

[Signature]  
Susan K. Duffy  
Executive Director

SUBSCRIBED AND SWORN to me this 2<sup>ND</sup> day of April, 2008.



[Signature]  
Janice K. Potter  
Notary Public

My Appointment Expires:

2-23-11

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CONSERVATION DIVISION  
WICHITA, KS

**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>Harold Jones</b>		Phone Number: ( <b>620</b> ) <b>356 - 3032</b>
Lease Name & Well No.: <b>Rademacher ATU A-5</b>		Pit Location (QQQQ): <b>NW NW NW NW</b> Sec. <b>22</b> Twp. <b>28S</b> R. <b>36</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>210</b> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <b>150</b> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section <b>Grant</b> County
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>8,900</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>100</b> Length (feet) <b>100</b> Width (feet) <b>N/A: Steel Pits</b> Depth from ground level to deepest point: <b>5</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. <div style="text-align: right;"><b>RECEIVED</b> KANSAS CORPORATION COMMISSION <b>MAY 07 2008</b> CONSERVATION DIVISION WICHITA, KS</div>	
Distance to nearest water well within one-mile of pit <b>3319</b> feet    Depth of water well <b>420</b> feet	Depth to shallowest fresh water <b>260</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.		
_____ 05/06/08 Date	_____ <i>Paul Powell</i> Signature of Applicant or Agent	

15-067-21654-0000

<b>KCC OFFICE USE ONLY</b>			
Date Received: <b>5/7/08</b>	Permit Number: _____	Permit Date: <b>5/7/08</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