

Owwo

For KCC Use: Effective Date: 7-2-08 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: 07/15/2008 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: 620-629-4200 CONTRACTOR: License# 30606 Name: Murfin Drilling Company, Inc.

Spot Description: SE SE SE Sec. 9 Twp. 34 S. R. 33 E W 330 feet from N S Line of Section 330 feet from E W Line of Section Is SECTION: Regular Irregular?

(Note: Locate well on the Section Plat on reverse side) County: Seward Lease Name: Preifert "B" Well #: 2 Field Name: Adamson Is this a Prorated / Spaced Field? Yes No Target Formation(s): Chester Nearest Lease or unit boundary line (in footage): 330 Ground Surface Elevation: 2866 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: 220 Depth to bottom of usable water: 620 Surface Pipe by Alternate: I II Length of Surface Pipe Planned to be set: 1698 Length of Conductor Pipe (if any): Projected Total Depth: 6370 Formation at Total Depth: Chester 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:

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

If OWWO: old well information as follows: Operator: OXY USA, Inc. Well Name: Preifert "B" #2 (re-entry of dry hole) Original Completion Date: 11/11/2006 Original Total Depth: 6700

Directional, Deviated or Horizontal wellbore? Yes No If Yes, true vertical depth: Bottom Hole Location: KCC DKT #:

PRORATED & SPACED: HUBOTON

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:

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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 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: 06/25/2008 Signature of Operator or Agent: Jarod Powell Title: Capital Assets

For KCC Use ONLY API # 15 - 175-22070-00-01 Conductor pipe required none feet Minimum surface pipe required 640 feet per ALT. I II Approved by: Jarod Powell 6-27-08 This authorization expires: 6-27-09 (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:

### 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 - 175-22070-000  
Operator: OXY USA, Inc.  
Lease: Preifert "B"  
Well Number: 2  
Field: Adamson

Location of Well: County: Seward  
330 feet from  N /  S Line of Section  
330 feet from  E /  W Line of Section  
Sec. 9 Twp. 34 S. R. 33  E  W

Number of Acres attributable to well: 10  
QTR/QTR/QTR/QTR of acreage: SE SE SE

Is Section:  Regular or  Irregular

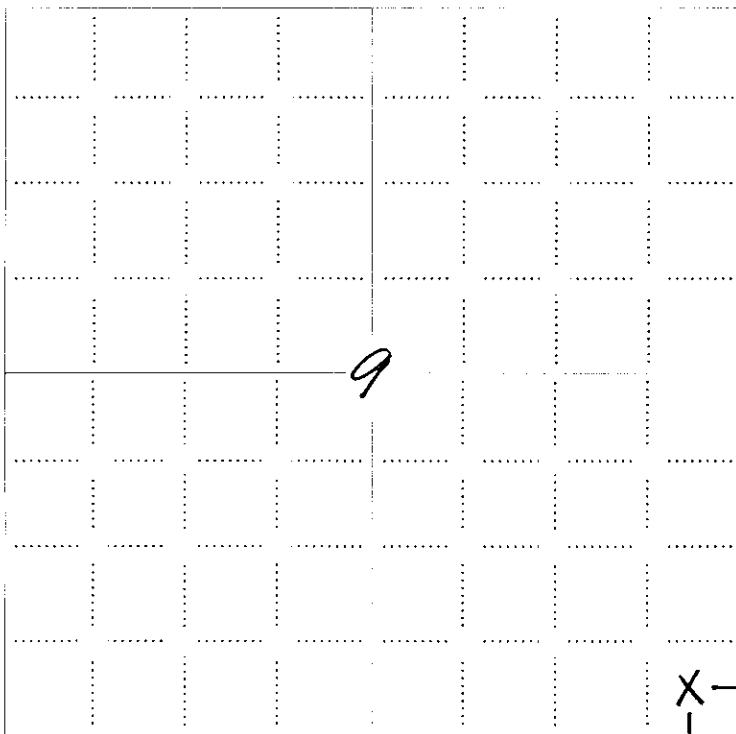
**If Section is irregular, locate well from nearest corner boundary.**

Section corner used:  NE  NW  SE  SW

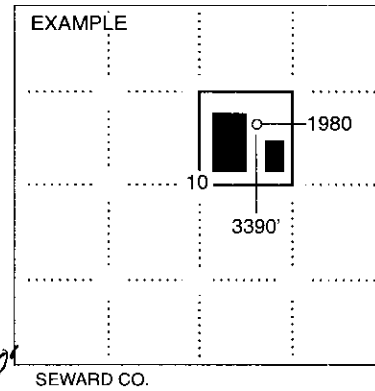
### PLAT

*(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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**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 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).

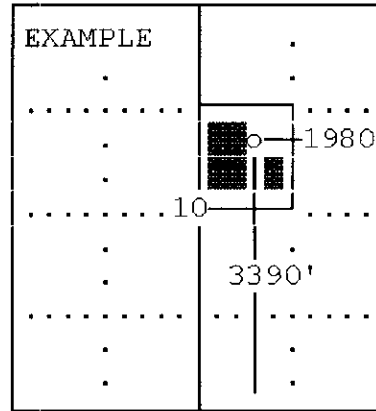
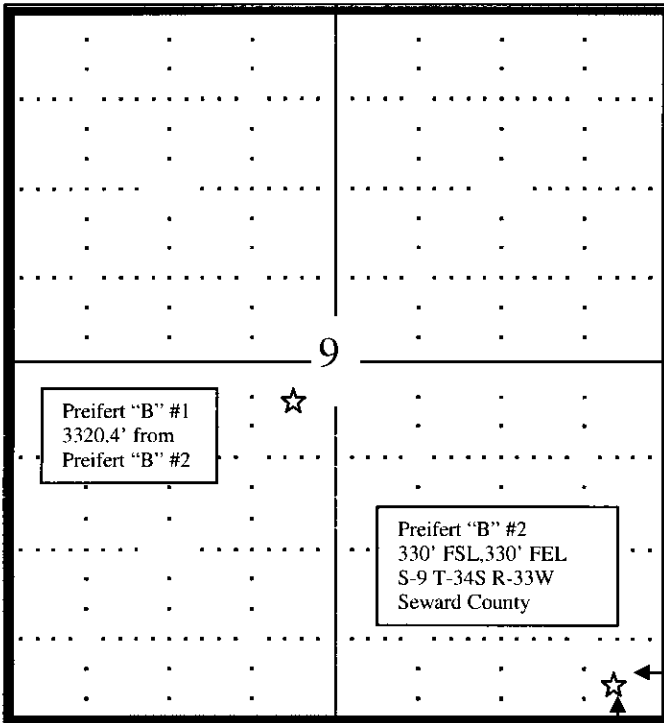
**PLAT AND CERTIFICATION OF ACREAGE ATTRIBUTABLE TO A GAS WELL**

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

API NUMBER 15-175-22070-000  
 OPERATOR OXY USA Inc.  
 LEASE Preifert B  
 WELL NUMBER 2  
 FIELD Adamson  
 NUMBER OF ACRES ATTRIBUTABLE TO WELL 10  
 QTR/QTR/QTR OF ACREAGE SE — SE — SE

LOCATION OF WELL: COUNTY Seward  
330 Feet from (south) / north line of section  
330 Feet from (east) / west line of section  
 SECTION 9 TWP 34 (S) RG 33 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 X 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 Assets \_\_\_\_\_ (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 [Signature]  
 Subscribed and sworn to before me on this 25 day of June, 2008

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)

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>Mike Fink</b>		Phone Number: ( <b>620</b> ) <b>624 - 3569</b>
Lease Name & Well No.: <b>Preifert B-2</b>		Pit Location (QQQQ): <b>SE SE SE</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>7,125</b> (bbls)	Sec. <b>9</b> Twp. <b>34S</b> R. <b>33</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>330</b> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <b>330</b> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <b>Seward</b> County
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input 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>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>930</b> feet    Depth of water well <b>525</b> feet		Depth to shallowest fresh water <b>200</b> feet. Source of information: <b>JR-KGS</b> _____ 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.		
Date: <u>06/25/2008</u>		Signature of Applicant or Agent: 
<b>KCC OFFICE USE ONLY</b>		
Date Received: <u>6/26/08</u> Permit Number: _____    Permit Date: <u>6/26/08</u> Lease Inspection: <input type="checkbox"/> Yes <input type="checkbox"/> No		

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15-175-22070-00-01

Notice: Fill out COMPLETELY and return to Conservation Division at the address below within 60 days from plugging date.

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
**WELL PLUGGING RECORD**  
K.A.R. 82-3-117

Form CP-4  
December 2003  
Type or Print on this Form  
Form must be Signed  
All blanks must be Filled

Lease Operator: OXY USA Inc.  
Address: P. O. Box 2528  
Phone: (620) 629-4200 Operator License #: 5447  
Type of Well: D & A Docket #: \_\_\_\_\_  
(Oil, Gas D&A, SWD, ENHR, Water Supply Well, Cathodic, Other) (If SWD or ENHR)  
The plugging proposal was approved on: 11/11/2006 (Date)  
by: Richard Lacy (KCC District Agent's Name)  
Is ACO-1 filed?  Yes  No If not, is well log attached?  Yes  No  
Producing Formation(s): List All (If needed attach another sheet)  
\_\_\_\_\_  
Depth to Top: \_\_\_\_\_ Bottom: \_\_\_\_\_ T.D. \_\_\_\_\_  
\_\_\_\_\_  
Depth to Top: \_\_\_\_\_ Bottom: \_\_\_\_\_ T.D. \_\_\_\_\_  
\_\_\_\_\_  
Depth to Top: \_\_\_\_\_ Bottom: \_\_\_\_\_ T.D. \_\_\_\_\_

API Number: 15 - 17522070 - 00 - 00  
Lease Name: Preifert B  
Well Number: 2  
Spot Location (QQQQ): C - SE - SE - SE  
330 Feet from  North /  South Section Line  
330 Feet from  East /  West Section Line  
Sec. 9 Twp. 34S S. R. 33  East  West  
County: Seward  
Date Well Completed: 11/11/2006  
Plugging Commenced: 11/11/2006  
Plugging Completed: 11/11/2006

Show depth and thickness of all water, oil and gas formations.

Oil, Gas or Water Records		Casing Record (Surface Conductor & Production)				
Formation	Content	From	To	Size	Put In	Pulled Out
		1698	Surface	8-5/8	1694	None

Describe in detail the manner in which the well is plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same depth placed from (bottom), to (top) for each plug set.

100 sx @3500'; 50 sx @1730'; 40 sx @600'; 20 sx @60'

Name of Plugging Contractor: Murfin Drilling Co., Inc. License #: 30606  
Address: 250 N. Water, Suite 300, Wichita KS 67202  
Name of Party Responsible for Plugging Fees: OXY USA, inc.  
State of Kansas County, Seward, ss.

Rafael Bacigalupo (Employee of Operator) or (Operator) on above-described well, being first duly sworn on oath, says: That I have knowledge of the facts statements, and matters herein contained, and the log of the above-described well is as filed, and the same are true and correct, so help me God.



(Signature) [Handwritten Signature]  
(Address) 1701 N Kansas, Liberal KS 67901

SUBSCRIBED and SWORN TO before me this 31 day of Jan, 2007  
Anita Peterson My Commission Expires: Oct. 1, 2009  
Notary Public

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

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