

Corrected

7-29-07

CORRECTED

For KCC Use: Effective Date: 7-22-08 District # 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: 08/31/2008 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: Murlin Drilling Company, Inc.

Well Drilled For: Oil Gas Enh Rec Storage Disposal Seismic 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? If Yes, true vertical depth: Bottom Hole Location: KCC DKT #:

Spot Description: NW SE SE Sec. 35 Twp. 30 S. R. 33 feet from feet from

Is SECTION: Regular Irregular? County: Haskell Lease Name: Light Field Name: Hugoton

Is this a Prorated / Spaced Field? Target Formation(s): Council Grove Chase Nearest Lease or unit boundary line (in footage): 1250 Ground Surface Elevation: 2913

Projected Total Depth: 3080 Formation at Total Depth: Council Grove Water Source for Drilling Operations: Well Farm Pond Other DWR Permit #: Will Cores be taken?

PRORATED & SPACED: HUGOTON

AFFIDAVIT

RECEIVED KANSAS CORPORATION COMMISSION

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.

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief. Date: 07/15/2008 Signature of Operator or Agent: Jarod Powell Title: Capital Assets

For KCC Use ONLY API # 15: 081-21823-0000 Conductor pipe required: None feet Minimum surface pipe required: 6.60 feet per ALT. Approved by: [Signature] This authorization expires: 7-17-09 Spud date: Agent:

- Remember to: 7/24/08 - 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:

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

RECEIVED KANSAS CORPORATION COMMISSION

JUL 28 2008

CONSERVATION DIVISION WICHITA, KS