

FOR KCC USE:

15-051-24958-00-00 FORM C-1 7/91

FORM MUST BE TYPED

FORM MUST BE SIGNED

ALL BLANKS MUST BE FILLED

EFFECTIVE DATE: 3-22-97

State of Kansas

DISTRICT # 4

NOTICE OF INTENTION TO DRILL

SGA? Yes No

Must be approved by the K.C.C. five (5) days prior to commencing well,

Spot 500' N AND 40' E OF R30' N & 40' E N/2 SW NE East NE SW NE Sec .24.. Twp .11S... , Rg .17.. X West

Expected Spud Date March 25 1997 month day year

OPERATOR: License # 5447 Name: OXY USA INC. Address: 110 S. Main #800. City/State/Zip: Wichita, Kansas 67202. Contact Person: Shawn M. Kerns. Phone: (316) 265-2386.

CONTRACTOR: License #: 5929 Name: DUKE DRILLING RIG #4.

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

If OWWO: old well information as follows: Operator: Well Name: Comp. Date:

Directional, Deviated or Horizontal wellbore? yes X. no If yes, true vertical depth: Bottom Hole Location:

1420' feet from NORTH / XXXXX line of Section 1940' feet from EAST / XXXX line of Section IS SECTION X REGULAR IRREGULAR? (NOTE: Locate well on the Section Plat on Reverse Side) County: ELLIS Lease Name: COLAHAN "A" Well #: # 41 Field Name: BEMIS-SHUTTS Is this a Prorated/Spaced Field? yes X. no Target Formation(s): Arbuckle Nearest lease or unit boundary: 1420' Ground Surface Elevation: 1897' feet MSL Water well within one-quarter mile: yes X. no Public water supply well within one mile: yes X. no Depth to bottom of fresh water: 180' Depth to bottom of usable water: 600' Surface Pipe by Alternate: 1 X. 2 Length of Surface Pipe Planned to be set: 335' Length of Conductor pipe required: 0 Projected Total Depth: 3395' Formation at Total Depth: Arbuckle Water Source for Drilling Operations: well farm pond X. other DWR Permit #: HAS BEEN FILED Will Cores Be Taken?: yes X. no If yes, proposed zone:

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. 55-101, et. seq.

It is agreed that the following minimum requirements will be met:

MAR 14 1997

CONSERVATION DIVISION

- 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. 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: 3/3/97 Signature of Operator or Agent: Shawn M. Kerns Title: Operations Engineer

FOR KCC USE: API # 15- 051-249580000 Conductor pipe required NONE feet Minimum surface pipe required 200 feet per Alt. X(2) Approved by: JK 3-17-97 This authorization expires: 9-17-97 (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 proration 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.

Mail to: Conservation Division, 200 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1286.

Vertical stamp: 11 1702

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 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.

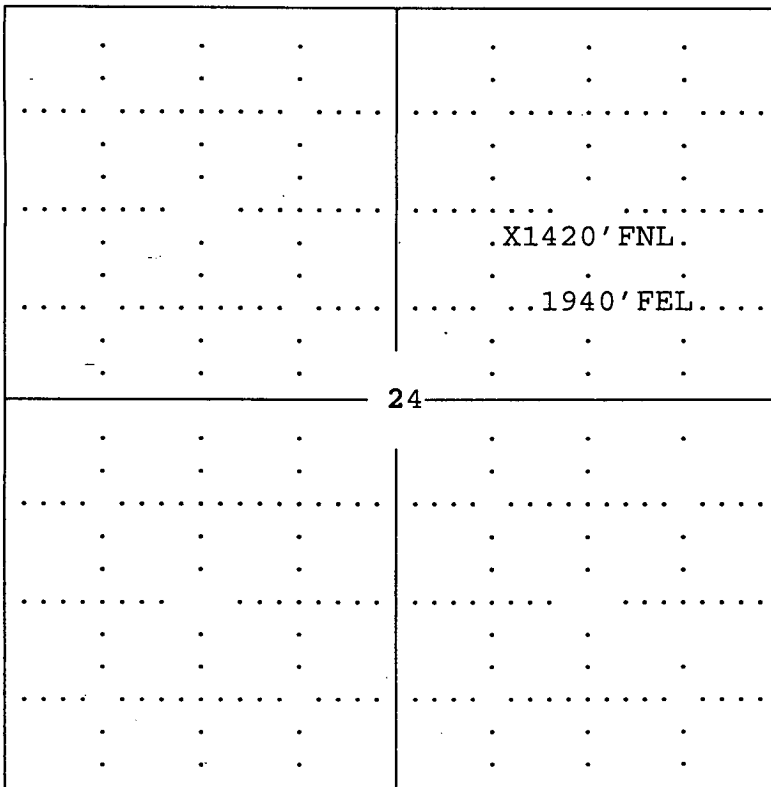
API NO. 15- _____
 OPERATOR OXY Usa Inc
 LOCATION OF WELL: COUNTY ELLIS
 LEASE COLAHAN "A" _____ 1420 feet from NORTH/XXXXX line of section
 WELL NUMBER # 41 _____ 1940 feet from EAST/XXXX line of section
 FIELD BEMIS-SHUTTS _____ SECTION 24 TWP 11S RG 17W

NUMBER OF ACRES ATTRIBUTABLE TO WELL _____ IS SECTION x REGULAR or _____ IRREGULAR
 QTR/QTR/QTR OF ACREAGE NE - SW - NE _____ **IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.**

Section corner used: _____ NE _____ NW _____ SE _____ SW

PLAT

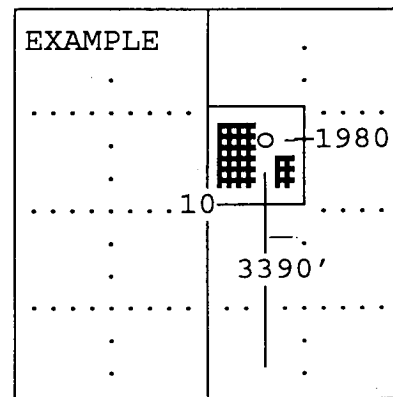
(Show location of the well and shade attributable acreage for prorated or spaced wells.)
 (Show footage to the nearest lease or unit boundary line.)



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CONSERVATION DIVISION
 WICHITA, KS



SEWARD CO.

ELLIS COUNTY

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 section's south/north and east/west; and
- 3) the distance to the nearest lease or unit boundary line.