

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Starting Date 2 - 18 - 87 month day year

API Number 15-199-20,100-00-00

OPERATOR: License # 5171 Name TXO Production Corp. Address 1800 Lincoln Center Bldg. City/State/Zip Denver, Colorado 80264 Contact Person Frank D. Tsuru Phone (303) 861-4246

NW NE SW Sec. 29 Twp. 15 S, Rg. 42 W West 2560 Ft. from South Line of Section 3880 Ft. from East Line of Section

(Note: Locate well on Section Plat on reverse side)

Nearest lease or unit boundary line 900 feet County Wallace

CONTRACTOR: License # Unknown Name City/State

Lease Name Wallace Well # R-1

Ground surface elevation TBD feet MSL

Well Drilled For: Well Class: Type Equipment: X Oil SWD Infield Mud Rotary X Gas Inj Pool Ext Air Rotary OWWO Expl Wildcat Cable

Domestic well within 330 feet: yes X no

Municipal well within one mile: yes X no

Depth to bottom of fresh water 300'

Depth to bottom of usable water 1600/800'

Surface pipe by Alternate: 1 2 X

Surface pipe planned to be set 400'

Conductor pipe required

Projected Total Depth 5300' feet

Formation Miss./Morrow

If OWWO: old well info as follows:

Operator Well Name Comp Date Old Total Depth

I certify that well will comply with K.S.A. 55-101, et seq., plus eventually plugging hole to KCC specifications.

Date 2/13/87 Signature of Operator or Agent Frank D. Tsuru Title Drlg/Prod. Engineer

For KCC Use:

Conductor Pipe Required feet; Minimum Surface Pipe Required 300 feet per Alt.

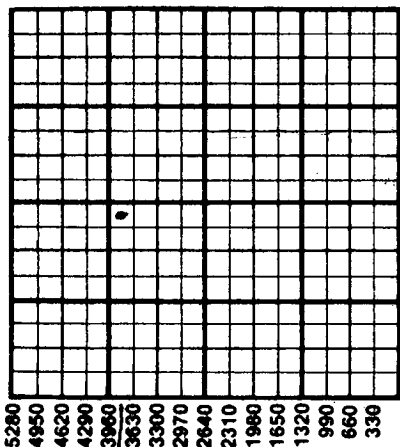
This Authorization Expires 8-23-87 Approved By 2-23-87

Handwritten signatures and initials at the bottom right of the page.

Must be filed with the K.C.C. five (5) days prior to commencing well  
 This card void if drilling not started within six (6) months of date received by K.C.C.

**Important procedures to follow:**

**A Regular Section of Land  
 1 Mile = 5,280 Ft.**



5280  
4950  
4620  
4290  
3960  
3630  
3300  
2970  
2640  
2310  
1980  
1650  
1320  
990  
660  
330

STATE CORPORATION COMMISSION  
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FEB 23 1987

FEB 1 1987

CONSERVATION DIVISION  
 CONSERVATION DIVISION  
 Wichita, Kansas  
 Wichita, Kansas

02-2387

02-1787

1. Notify District office before setting surface casing.
2. Set surface casing by circulating cement to the top.
3. File completion forms ACO-1 with K.C.C. within 90 days of well completion, following instructions on ACO-1, side 1, and including copies of wireline logs.
4. Notify District office 48 hours prior to old well workover or re-entry.
5. Prior to filing Intent, prepare a proposed plugging plan in case well is D & A, then obtain approval of plan when calling district office prior to setting surface pipe.
6. Submit plugging report (CP-4) to K.C.C. after plugging is completed.
7. Obtain an approved injection docket number before disposing of salt water.
8. Notify K.C.C. within 10 days when injection commences or terminates.
9. If an alternate 2 completion, cement in the production pipe from below any usable water to surface within 120 days of spud date.

State Corporation Commission of Kansas  
 Conservation Division  
 200 Colorado Derby Building  
 Wichita, Kansas 67202  
 (316) 263-3238