

FORM MUST BE TYPED
FORM C-1 12/88

State of Kansas
NOTICE OF INTENTION TO DRILL

FORM MUST BE SIGNED
ALL BLANKS MUST BE FILLED

AMENDED

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

Expected Spud Date 5 10 88
month day year

* NW NW SW Sec 6 Twp 15 S, Rg 42 X East West

OPERATOR: License # 5171
Name: TXO PRODUCTION CORE
Address: 1800 Lincoln Center Bldg
City/State/Zip: Denver, CO 80264
Contact Person: Russ Gillis
Phone: (303) 861-4246

2180' feet from South line of Section
* 4820' feet from East line of Section
(Note: Locate well on Section Plat Below)

CONTRACTOR: License #: 6033
Name: Murfin Drilling Company

County: Wallace
Lease Name: Hibbert "B" Well #: 3
Field Name: Arapahoekan
Is this a Prorated Field? X yes no
Target Formation(s): Morrow
Nearest lease or unit boundary: 460'
Ground Surface Elevation: 3935 feet MSL
Domestic well within 330 feet: X yes no
Municipal well within one mile: X yes no
Depth to bottom of fresh water: 350'
Depth to bottom of usable water: 1800'
Surface Pipe by Alternate: 1 X 2
Length of Surface Pipe Planned to be set: 650'
Length of Conductor pipe required: N/A
Projected Total Depth: 5300'
Formation at Total Depth: Morrow Sand
Water Source for Drilling Operations:
... well ... farm pond X other

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

If OAWO: old well information as follows:

Operator: _____
Well Name: _____
Comp. Date: _____ Old Total Depth _____

Directional, Deviated or Horizontal wellbore? ... yes X no

If yes, total depth location: _____

WAS: Nw-Nw-Sw
460' FEL

AFFIDAVIT

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:

- 1. The appropriate district office shall be notified before setting surface pipe;
- 2. The minimum amount of surface pipe as specified above 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;
- 3. If the well is dry, a plugging proposal shall be submitted to the district office. An agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
- 4. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
- 5. 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: 6-21-89 Signature of Operator or Agent: Russ E. Gillis Title: Petroleum Engineer

FOR KCC USE:
API # 15-199-20152-00-00
Conductor pipe required NONE feet
Minimum surface pipe required 400' feet per Alt. X(2)
Approved by: Dpw 7-07-89; orig 5-4-88
EFFECTIVE DATE: 5-9-88
This authorization expires: 11-4-88
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

Grid with elevation markers: 5280, 4950, 4620, 4290, 3960, 3630, 3300, 2970, 2640, 2310, 1980, 1650, 1320, 990, 660, 330

RECEIVED
STATE CORPORATION COMMISSION
JUL - 3 1989
CONSERVATION DIVISION
Wichita, Kansas

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.