

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

* CORRECTION* 10-25-85

Starting Date 10 28 85 month day year

API Number 15- 199-01,000-0001

OPERATOR: License # 5171
Name TXO Production Corp.
Address 155 N. Market Suite 1000
City/State/Zip Wichita, KS 67202
Contact Person Jerry W. Collins
Phone 316-269-7600

Appox N/W S/W Sec 4 Twp 14 S, Rg 38 X West
* 1960 Ft. from South Line of Section
* 4580 Ft. from East Line of Section

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

CONTRACTOR: License # 6033
Name Murfin Drilling Co
City/State Wichita, KS

Nearest lease or unit boundary line 700 feet
County Wallace
Lease Name PEARCE 'F' Well # 1 (OWWO)

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

Ground surface elevation TBD feet MSL
Domestic well within 330 feet: yes X no
Municipal well within one mile: yes X no
Surface pipe by Alternate: 1 2 X
Depth to bottom of fresh water 100
Depth to bottom of usable water 1500
Surface pipe planned to be set 192
Projected Total Depth 4850 feet
Formation Morrow

IF OWWO: old well info as follows:
Operator Flynn Oil Co. & F.W. Wyant & Assoc.
Well Name G. F. Pearce
Comp Date 2-1-52 Old Total Depth 5063'

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

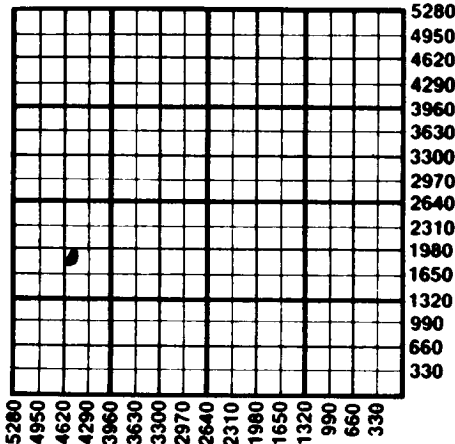
cementing will be done immediately upon setting production casing
Date 10-25-85 Signature of Operator or Agent Jeffrey S. Childs Title, Drlg & Completion, Engt.

For KCC Use:
Conductor Pipe Required feet; Mjnimium Surface Pipe Required feet per Alt. 1 2
This Authorization Expires 4-15-86 Approved By 10-15-85

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.



RECEIVED
STATE CORPORATION COMMISSION

OCT 25 1985
10-25-85
CONSERVATION DIVISION
Wichita, Kansas

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