

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Starting Date 09 06 86
 month day year *1:15*

API Number 15— *071-20,423-0000*

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

NW NW NE Sec. *6* Twp. *16* S, Rg. *42* East
 West
4950 Ft. from South Line of Section
2310 Ft. from East Line of Section

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

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

Nearest lease or unit boundary line *330* feet
 County *Greeley*

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

Lease Name *Bergquist* Well # *3*
 Ground surface elevation *?* feet MSL

If OWWO: old well info as follows:
 Operator
 Well Name
 Comp Date Old Total Depth

Domestic well within 330 feet: yes no
 Municipal well within one mile: yes no
 Surface pipe by Alternate: 1 2 ~~3~~
 Depth to bottom of fresh water *300*
 Depth to bottom of usable water *1700*
 Surface pipe planned to be set *350*
 Projected Total Depth *5300* feet
 Formation *Miss.*

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

Date *9-4-86* Signature of Operator or Agent *[Signature]* Title *Ass't. Drilling Manager*
Jack E. Goss, Agent for Operator

For KCC Use:
 Conductor Pipe Required feet; Minimum Surface Pipe Required *350* feet per Alt. *4 1/2*
 This Authorization Expires *3-4-87* Approved By *9-4-86* *[Signature]*

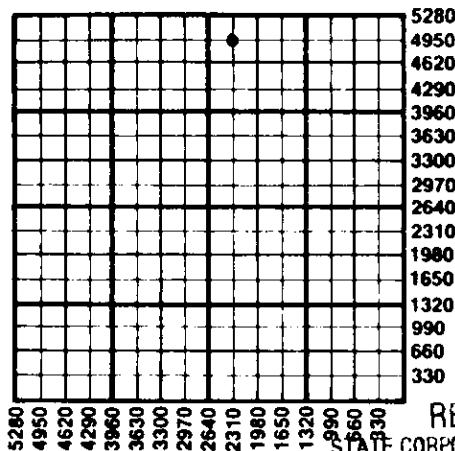
FEW/KC

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:

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.

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



RECEIVED

STATE CORPORATION COMMISSION

SEP 4 - 1986

9-4-86

CONSERVATION DIVISION
Wichita, Kansas

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