

CARD MUST BE TYPED

State of Kansas
NOTICE OF INTENTION TO DRILL

CARD MUST BE SIGNED

(see rules on reverse side)

Starting Date: 9 19 84
month day year 2.03

API Number 15- 071-20,336-0000

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

SE NW NE Sec 12 Twp 16 S, Rge 43 East West
(Location)

4290 Ft North from Southeast Corner of Section
1550 Ft West from Southeast Corner of Section
(Note: Locate well on Section Plat on reverse side)

CONTRACTOR: License # 5866
Name J. W. Gibson Drilling
City/State Ft. Morgan, CO 80701


Nearest lease or unit boundary line 1100 feet.
County Greeley
Lease Name Otis Well# 7

Domestic well within 330 feet: yes no
Municipal well within one mile: yes no

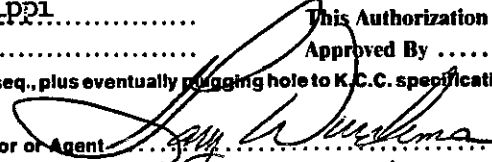
Well Drilled For: Well Class: Type Equipment:
 Oil Swd Infield Mud Rotary
 Gas Inj Pool Ext. Air Rotary
 OWWO Expl Wildcat Cable

Depth to Bottom of fresh water 400 feet
Lowest usable water formation Dakota
Depth to Bottom of usable water 1700 feet
Surface pipe by Alternate: 1 2
Surface pipe to be set 450 feet
Conductor pipe if any required 0 feet
Ground surface elevation TBD feet MSL

If OWWO: old well info as follows:
Operator
Well Name
Comp Date Old Total Depth
Projected Total Depth 5300 feet
Projected Formation at TD Mississippi
Expected Producing Formations Morrow

This Authorization Expires 3-18-85
Approved By 9-18-84 

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

Date 9-18-84 Signature of Operator or Agent  Title District Engineer

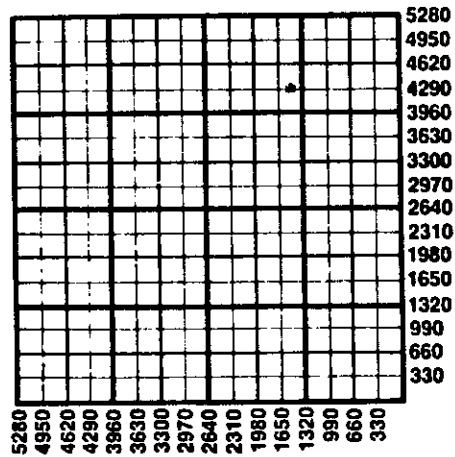
MHC/KOHE 9/18/84

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.
 CONSERVATION DIVISION

1984
 SEP 18
 48-8-84
 A Regular Section of Land
 1 Mile ± 5,280 ft.

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 plugging, prepare a plugging plan, then obtain agreement from the appropriate district office for an approved plugging plan.
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**