

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

Expected Spud Date February 28, 1990
 month day year

C. - S/2 NE Sec 11 Twp 34 S, Rg 15 East West

OPERATOR: License # 5171 ✓
 Name: TXO PRODUCTION CORPORATION
 Address: 1660 Lincoln St. - Suite 1800
 City/State/Zip: Denver, Colorado 80246
 Contact Person: Cory West
 Phone: 303/861-4246

3300
 1320
 feet from South line of Section
 feet from East line of Section
 (Note: Locate well on Section Plat Below)

CONTRACTOR: License #: 5864 ✓
 Name: LOBO DRILLING COMPANY

County: Barber
 Lease Name: Davis Trust "B" Well # 1
 Field Name: Unknown Wildcat
 Is this a Prorated Field? yes no
 Target Formation(s): Mississippi
 Nearest lease or unit boundary: 1320
 Ground Surface Elevation: Unknown feet MSL
 Domestic well within 330 feet: yes no
 Municipal well within one mile: yes no
 Depth to bottom of fresh water: 180' 64'
 Depth to bottom of usable water: 180'
 Surface Pipe by Alternates: 1 2
 Length of Surface Pipe Planned to be set: 380'
 Length of Conductor pipe required: N/A
 Projected Total Depth: 5250'
 Formation at Total Depth: Mississippi
 Water Source for Drilling Operations:
well farm pond other
 DWR Permit #: _____
 Will Cores Be Taken?: yes no
 If yes, proposed zone: _____

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

If OWD: old well information as follows:
 Operator: _____
 Well Name: _____
 Comp. Date: _____ Old Total Depth _____

Directional, Deviated or Horizontal wellbore? yes no
 If yes, total depth locations: _____

AFFIDAVIT

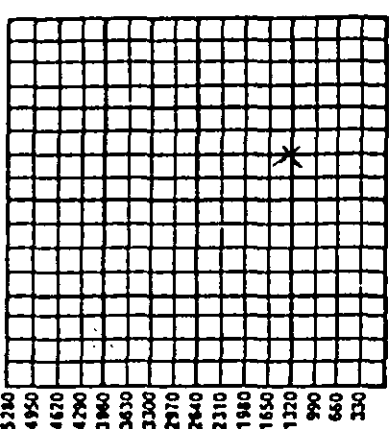
The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.

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: 2/20/90 Signature of Operator or Agent: James B. Phillips Title: Agent



CONSERVATION DIVISION
 Wichita, Kansas

FEB 22 1990

RECEIVED
 THE CORPORATION COMMISSION

FOR KCC USE:
 API # 15- 007-22,294-00-001-16-80
 Conductor pipe required NONE feet
 Minimum surface pipe required 300 feet per Alt.
 Approved by: James B. Phillips 2/23/90
 EFFECTIVE DATE: 2/28/90
 This authorization expires: 8/23/90
 (This authorization void if drilling not started within 6 months of effective date.)
 Spud date: _____ Agent: _____

11
 34
 15

REMEMBER TO:

- File Drill Pit Application (form COP-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.