

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

Expected Spud Date April 17 1989
month day year

Approx. SW SW Sec 5 Twp 35 S, Rg 13 XX East West

OPERATOR: License # 5171
Name: TXO Production Co.
Address: 1660 Lincoln Center Building #1800
City/State/Zip: Denver, CO 80264
Contact Person: Cory West
Phone: (303) 861-4246

660 feet from South line of Section
4720 feet from East line of Section
(Note: Locate well on Section Plat Below)

CONTRACTOR: License # 5380
Name: Eagle Drilling, Inc.

County: Barber
Lease Name: Oakes Well #: A-2
Field Name: Aetna
Is this a Prorated Field? yes no
Target Formation(s): Miss.
Nearest lease or unit boundary: 560
Ground Surface Elevation: 1579 feet MSL
Domestic well within 330 feet: yes no
Municipal well within one mile: yes no
Depth to bottom of fresh water: 250.180
Depth to bottom of usable water: 250.180
Surface Pipe by Alternate: X 1 2
Length of Surface Pipe Planned to be set: 370
Length of Conductor pipe required: 0
Projected Total Depth: 5250
Formation at Total Depth: Miss
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
 OWO Disposal Wildcat Cable
 Seismic; # of Holes

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

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

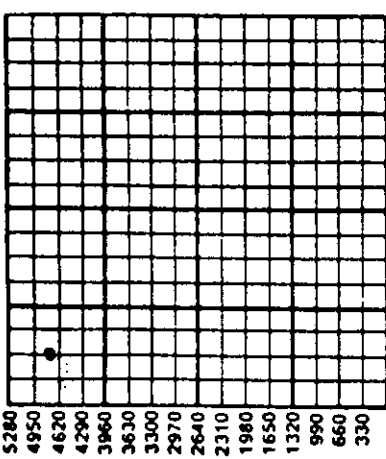
AFFIDAVIT

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: 4-17-89 Signature of Operator or Agent: [Signature] Title: Agent



STATE CONSERVATION COMMISSION
RECEIVED
APR 17 1989
CONSERVATION DIVISION
Wichita, Kansas

FOR KCC USE: G

API # 15- 007-22,235-00-00

Conductor pipe required NONE feet

Minimum surface pipe required 200 feet per Alt. OK

Approved by: LKM 4-17-89

EFFECTIVE DATE: 4-22-89

This authorization expires: 10-17-89

(This authorization void if drilling not started within 6 months of effective date.)

Spud date: Agent:

5
35
13

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.