

Mobil Exploration & Producing U.S. Inc.

COLE

15-189-21524-0000

2319 NORTH KANSAS
LIBERAL, KANSAS 67901

April 29, 1992

State Corporation Commission
Conservation Division
200 Colorado Derby Building
202 West 1st Street
Wichita, Kansas 67202-1286

Attn: David Williams

NOTICE OF INTENTION TO DRILL
NIX OBSERVATION WELL #1
SECTION 25-33S-36W
STEVENS COUNTY, KANSAS

Gentlemen:

Attached is a Notice of Intention to Drill for the Nix Observation Well #1. The purpose of this well is to obtain pressure data for the Chase formation which could ultimately result in increased production from the Nix Unit and the Hugoton Gas Field. It is not Mobil's intent to produce this well.

We are hereby requesting that the Nix Observation Well #1 be approved as an exploratory well, and that it should not be subject to the Hugoton Gas Field Basic Proration Order.

The subject observation well will be located 250' FSL and 250' FWL of Section 25-33S-36W, Stevens County, Kansas. This location will position the well outside the land owner's irrigation circle, minimizes the amount of disruption to the land owner's operation, and allows for easy access to the observation well.

Mobil intends to run tests for a period of two years or more. We estimate that we will use 1000 mcf of gas per year to conduct the necessary tests. If it appears that we will exceed this amount, we will advise the Commission immediately. When the testing is completed, the well will be plugged in accordance with the rules and regulations of the Kansas Corporation Commission.

RECEIVED
STATE CORPORATION COMMISSION
MAY 1 1992
CONSERVATION DIVISION
Wichita, Kansas

If you require any additional information, please contact me at (316)
626-1160.

Very truly yours,

A handwritten signature in cursive script that reads "Rae Kelly".

R. Kelly
Environmental/Regulatory
Technician

RKelly/rk
Attachment

nixobs.kcc

Joan Finney
Governor

Jim Robinson
Chairman

F. S. Jack Alexander
Commissioner

Rachel C. Lipman
Commissioner

Judith McConnell
Executive Director

Brian Moline
General Counsel



Kansas Corporation Commission

May 1, 1992

Rae Kelly
Environmental/Regulatory Technician
Mobil Exploration & Producing U.S., Inc.
2319 North Kansas
Liberal, KS 67901

Re: Nix Observation Well No. 1.

Dear Rae:

Commission staff will approve the intent for the above-referenced well as an exploratory well and observation well that will not be produced.

From the information you furnished it doesn't appear likely, but if you are venting more than 25 Mcf of gas a day you will need to file a venting application with the Commission.

Very truly yours,

John McCannon

John McCannon
Assistant General Counsel

cc: Dave Williams

Conservation Division
William R. Bryson
Director

200 Colorado Derby Bldg.
202 W. 1st Street

Wichita, Kansas 67202-1286
Telephone (316) 263-3238