

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Starting Date September 9 86
 month day year

API Number 15— 097-21,219-0000

OPERATOR: License # 5171
 Name TXO Production Corp.
 Address 155 N. Market, Suite 1000
 City/State/Zip Wichita, Ks 67202
 Contact Person Gary E. Wurdeman
 Phone 316-269-7660

Acres C. NE. SW Sec. 3 Twp. 30 S, Rg. 18 East
 2130 Ft. from South Line of Section
 3300 Ft. from East Line of Section

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

CONTRACTOR: License # 5107
 Name H-30 Drilling, Inc.
 City/State 251 N. Market, Wichita, Ks

Nearest lease or unit boundary line ... 330 feet
 County... Kiowa

Lease Name... Parkin "H" Well #... 1
 Ground surface elevation ... TBD feet MSL

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

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

Depth to bottom of fresh water... 90
 Depth to bottom of usable water ... 200'

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

Surface pipe by Alternate: 1 2
 Surface pipe planned to be set ... 250'

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

Date 9-3-86 Signature of Operator or Agent Jeffrey S. Childs Title Drill. & Prod. Engineer.

For KCC Use:

Conductor Pipe Required ... feet; Minimum Surface Pipe Required ... 200 feet per Alt. 29

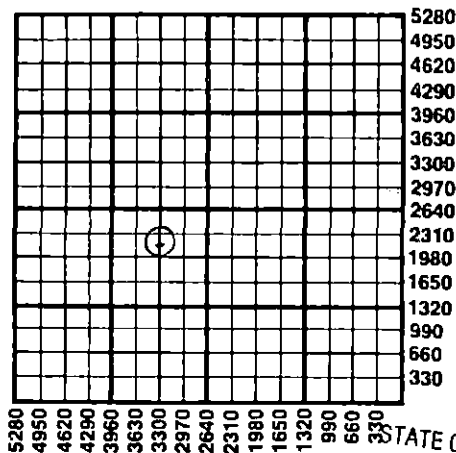
This Authorization Expires 3-3-87 Approved By 9-3-86

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. If an alternate 2 completion, cement in the production pipe from
STATE CORPORATION COMMISSION any usable water to surface within 120 days of spud date.

SEP 3 - 1986
9-3-86
CONSERVATION DIVISION
Wichita, Kansas

State Corporation Commission of Kansas
Conservation Division
200 Colorado Derby Building
Wichita, Kansas 67202
(316) 263-3238