

CARD MUST BE TYPED



NOTICE OF INTENTION TO DRILL

State of Kansas
(see rules on reverse side)

CARD MUST BE SIGNED

Starting Date: August 3 1985
month day year

API Number 15- 00217
097-24008-0001

OPERATOR: License # 5171
Name TXO Production Corp.
Address 200 W. Douglas, Suite 300
City/State/Zip Wichita, KS 67202
Contact Person Jerry W. Collins
Phone 316-265-9441

G. NE. SW Sec. 7. Twp. 30. S, Rge. 18.
(location) 1980 Ft North from Southeast Corner of Section
3300 Ft West from Southeast Corner of Section
(Note: Locate well on Section Plat on reverse side)

CONTRACTOR: License # 6165
Name FWA Drilling Co., Inc.
City/State Yukon, OK

Nearest lease or unit boundary line 660 feet.
County Kiowa
Lease Name KANE "E" Well# 1
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 100 feet
Lowest usable water formation Cretaceous
Depth to Bottom of usable water 200 feet
Surface pipe by Alternate: 1 2
Surface pipe ~~to be~~ set already set 440 feet
Conductor pipe if any required 0 feet
Ground surface elevation TBD feet MSL
This Authorization Expires 1-5-86
Approved By 7-5-85

If OWWO: old well info as follows:
Operator J. M. Huber Corp.
Well Name KANE #1
Comp Date 6-27-64 Old Total Depth 5159
Projected Total Depth 5100 feet
Projected Formation at TD Mississippi
Expected Producing Formations Mississippi

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

Date 7-3-85 Signature of Operator or Agent Jerry W. Collins Title Drlg & Completion Engr
Form C-1 4/84

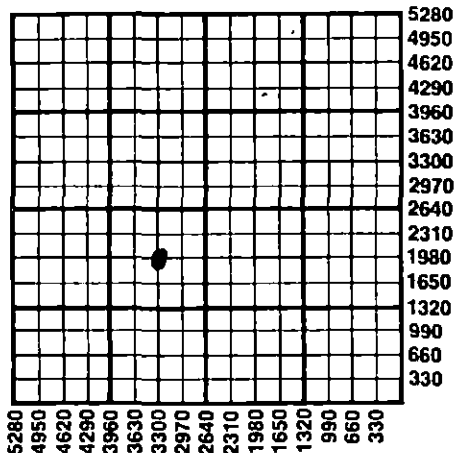
Must be filed with the K.C.C. five (5) days prior to commencing well
This card void if drilling not started within six (6) months of date received by K.C.C.

RECEIVED
STATE CORPORATION COMMISSION

JUL 05 1985
7-5-85
OBSERVATION DIVISION
Wichita, Kansas

Important procedures to follow:

A Regular Section of Land
1 Mile = 5,280 Ft.



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