

CARD MUST BE TYPED

State of Kansas

CARD MUST BE SIGNED

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

Starting Date 3 26 86 month day year

API Number 15- 097-21,214-0000

OPERATOR: License # 5171

N/2 NW SE Sec. 11 Twp. 30 S, Rg. 18 X West

Name TXO PRODUCTION CORP.

1980 Ft. from South Line of Section

Address 155 N. Market Suite 1000

2310 Ft. from East Line of Section

City/State/Zip Wichita, Ks. 67209

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

Contact Person Jeffrey S. Childs

Nearest lease or unit boundary line 330 feet

Phone 316-269-7662

County Kiowa

CONTRACTOR: License # 5380

Lease Name Kane 'G' Well # 1

Name Eagle Drilling Inc

Ground surface elevation 2079 feet MSL

City/State 411 N. Webb Road Wichita, Ks. 67206

Domestic well within 330 feet: yes X no

Well Drilled For: Well Class: Type Equipment:

Municipal well within one mile: yes X no

Oil SWD Infield X Mud Rotary

Depth to bottom of fresh water 200-150

X Gas Inj Pool Ext Air Rotary

Depth to bottom of usable water 200-200

OWWO Expl Wildcat Cable

Surface pipe by Alternate: 1 X 2

If OWWO: old well info as follows:

Surface pipe planned to be set 250

Operator

Conductor pipe required 0

Well Name

Projected Total Depth 5150 feet

Comp Date Old Total Depth

Formation Mississippi

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

REA/KCC

Date 3-26-86 Signature of Operator or Agent Jeffrey S. Childs Title Drilling Engineer

For KCC Use:

Conductor Pipe Required feet; Minimum Surface Pipe Required 200 feet per Alt 1 of 4

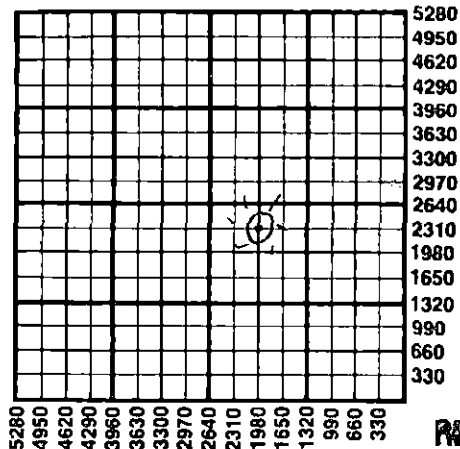
This Authorization Expires 10-4-86 Approved By Jeffrey S. Childs 4-3-86

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

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



RECEIVED
STATE CORPORATION COMMISSION

APR 3 1986

CONSERVATION DIVISION
Wichita, Kansas

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