

Correction

FORM MUST BE TYPED
FORM C-1 12/88

EFFECTIVE DATE: 5/15/90

State of Kansas

NOTICE OF INTENTION TO DRILL

FORM MUST BE SIGNED
ALL BLANKS MUST BE FILLED

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

Expected Spud Date 5 23 90
month day year

**
aprx SW SW Sec 3 Twp 34 S, Rg 13 X East West

OPERATOR: License # 5171
Name: TXO PRODUCTION CORP.
Address: 1660 Lincoln St., Suite 1800
City/State/Zip: Denver, CO 80264
Contact Person: Jerry W. Collins
Phone: (303) 861-4246

515' feet from South line of Section
4765' feet from East line of Section
(Note: Locate well on Section Plat Below)

CONTRACTOR: License #: 5380
Name: Eagle Drilling Co.

County: Barber
Lease Name: Allen "J" Well #: 1
Field Name: Undesignated
Is this a Prorated Field? yes X no
Target Formation(s): Mississippi
Nearest lease or unit boundary: 515'
Ground Surface Elevation: 1770' feet MSL
Domestic well within 330 feet: yes X no
Municipal well within one mile: yes X no
Depth to bottom of fresh water: 250
Depth to bottom of usable water: 250
Surface Pipe by Alternate: X 1 2
Length of Surface Pipe Planned to be set: 350
Length of Conductor pipe required: None
Projected Total Depth: 5100'
Formation at Total Depth: Mississippi
Water Source for Drilling Operations:
... well ... farm pond X ... other

Well Drilled For: Well Class: Type Equipment:
... Oil ... Inj ... Infield ... Mud Rotary
X Gas ... Storage ... Pool Ext. ... Air Rotary
... OAWD ... Disposal X Wildcat ... Cable
... Seismic; ... # of Holes

If OAWD: 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:
* WAS SW SW SW

* WAS 4620' FEL

AFFIDAVIT

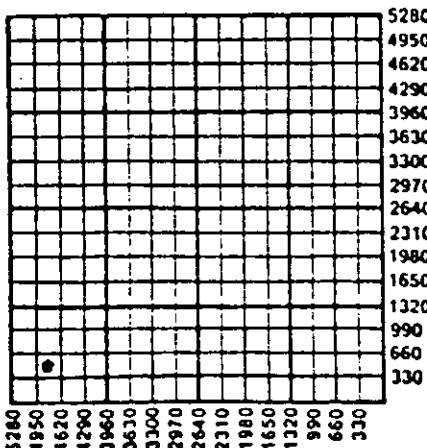
The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.

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: 5-14-90 Signature of Operator or Agent: Jerry W. Collins Title: Engineer



CONSERVATION DIVISION
Wichita, Kansas

MAY 15 1990

RECEIVED
MAIL ROOM
MAY 15 1990

FOR KCC USE:

API # 15- 007-22,318-00-00

Conductor pipe required NONE feet

Minimum surface pipe required 200' feet per Alt. OK

Approved by: BGF 5/10/90; BGF 5/15/90

EFFECTIVE DATE: 5/15/90

This authorization expires: 11/10/90

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

Spud date: _____ Agent: _____

3
34
130

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.