

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

Expected Spud Date February 22, 1989
month day year

C SW/4 Sec 21 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, Colorado 80264
Contact Person: Les Smith
Phone: 303-861-4246

1320 feet from South line of Section
3960 feet from East line of Section
(Note: Locate well on Section Plat Below)

CONTRACTOR: License #: 5864
Name: LOBO DRILLING COMPANY

County: Barber
Lease Name: Mayer "G" Well #: 1
Field Name: Wildcat
Is this a Prorated Field? yes X no
Target Formation(s): Mississippi
Nearest lease or unit boundary: 330
Ground Surface Elevation: _____ feet MSL
Domestic well within 330 feet: yes X no
Municipal well within one mile: yes X no
Depth to bottom of fresh water: 180
Depth to bottom of usable water: 180
Surface Pipe by Alternate: X 1 2
Length of Surface Pipe Planned to be set: 370
Length of Conductor pipe required: _____
Projected Total Depth: 4900
Formation at Total Depth: Mississippi
Water Source for Drilling Operations:
X well farm pond other
DWR Permit #: _____
Will Cores Be Taken?: yes X no
If yes, proposed zone: _____

Well Drilled For: Well Class: Type Equipment:

X Oil ... Inj ... Infield X Mud Rotary
X Gas ... Storage ... Pool Ext. ... Air Rotary
... OWWO ... Disposal X Wildcat ... Cable
... Seismic; ... # of Holes

If OWWO: old well information as follows:

Operator: _____
Well Name: _____
Comp. Date: _____ Old Total Depth _____

Directional, Deviated or Horizontal wellbore? yes X no
If yes, total depth location: _____

AFFIDAVIT

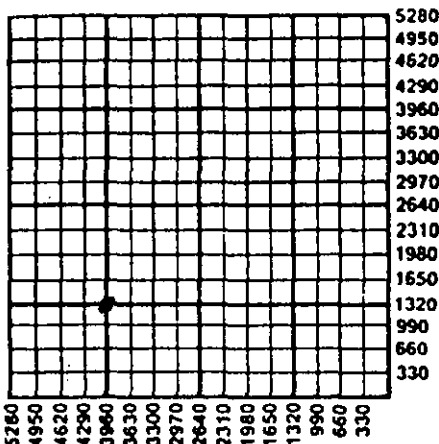
The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.

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: 2/22/89 Signature of Operator or Agent: James B. Phillips Title: Agent



RECEIVED
STATE CORPORATION COMMISSION
FEB 22 1989

FOR KCC USE:
API # 15- 007-22226-00-00 ✓ DA
Conductor pipe required _____ feet
Minimum surface pipe required 200' feet per Alt. OK
Approved by: LKM 2-22-89
EFFECTIVE DATE: 2-27-89
This authorization expires: 8-22-89
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

CONSERVATION DIVISION
Wichita, Kansas

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 prorations 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.