

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

Expected Spud Date August 11, 1989  
month day year

SE NW SE Sec 29 Twp 34 S, Rg 13 East  
West

1650 feet from South line of Section  
1650 feet from East line of Section  
(Note: Locate well on Section Plat Below)

OPERATOR: License # 5171  
Name: TXO PRODUCTION CORP.  
Address: 1660 Lincoln St. - Suite 1800  
City/State/Zip: Denver, Colorado 80246  
Contact Person: Les Smith  
Phone: 303/861-4246

County: Barber  
Lease Name: Nighswonger Well #: A-1  
Field Name: Aetna

CONTRACTOR: License #: 5929  
Name: DUKE DRILLING CO., INC.

Is this a Prorated Field?  yes  no  
Target Formation(s): Mississippian  
Nearest lease or unit boundary: 1650'  
Ground Surface Elevation: N/A feet MSL

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

Domestic well within 330 feet:  yes  no  
Municipal well within one mile:  yes  no  
Depth to bottom of fresh water: 200'  
Depth to bottom of usable water: 200'  
Surface Pipe by Alternate:  1  2  
Length of Surface Pipe Planned to be set: 370'  
Length of Conductor pipe required: N/A

If OWD: old well information as follows:  
Operator:  
Well Name:  
Comp. Date: Old Total Depth

Projected Total Depth: 5100'  
Formation at Total Depth: Mississippian  
Water Source for Drilling Operations:  
... well ... farm pond  other  
DWR Permit #:  
Will Cores Be Taken?:  yes  no  
If yes, proposed zones:

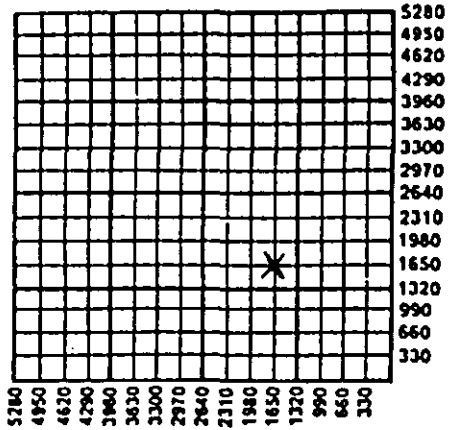
Directional, Deviated or Horizontal wellbore?  yes  no  
If yes, total depth location:

**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: 8/7/89 Signature of Operator or Agent: James B. Phillips Title: Agent



RECEIVED  
STATE CONSERVATION COMMISSION  
AUG 7 1989  
CONSERVATION DIVISION  
Wichita, Kansas

FOR KCC USE:  
API # 15-007-22,256-00-00  
Conductor pipe required NONE feet  
Minimum surface pipe required 200' feet per Alt.   
Approved by: DPW 8-07-89  
EFFECTIVE DATE: 8-12-89  
This authorization expires: 2-07-90  
(This authorization void if drilling not started within 6 months of effective date.)  
Spud date: Agent:

29  
34  
13W

- 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.