For KCC Use:
Effective Date: 12-25-04

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date 01/27/05

OPERATOR: License # 5447 (6-30-05)
Name: OXY USA Inc
Address: P.O. Box 2528
City/State/Zip: Liberal, KS 67905
Contact Person: Vicki Carder
Phone: (620) 629-4242

CONTRACTOR: License # 33375 (2-28-05)
Name: Cheyenne Drilling LP

Spot: SE - NW - NE Sec. 20 Twp. 27S R. 36 N
1250 feet from NE / S Line of Section
1390 feet from SE / E Line of Section

Is SECTION Regular Irregular?
(Note: Locate well on the Section Plat on reverse side)
County: Grant
Lease Name: English C
Well #: 4
Field Name: Panama Council Grove

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Council Grove

Well Information:

Ground Surface Elevation: 3087' feet MSL
Water well within one-quarter mile
Public water supply well within one mile
Depth to bottom of fresh water:
Depth to bottom of usable water:

Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 850
Length of Conductor Pipe Required: Non
Projected Total Depth: 3100
Formation at Total Depth: Council Grove

Water Source for Drilling Operations:

DWR Permit #

(Recap: Apply for Permit with DWR)

Well Cores to be Taken? Yes No
If Yes, Proposed zone:

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. Notify the appropriate district office prior to spudding of well;
2. A copy of the approved notice of intent to drill shall be posted on each drilling rig;
3. The minimum amount of surface pipe as specified below shall be set by circulating cement to the top; in all cases surface pipe shall be set through all unことがありますated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 days of spud date. Or pursuant to Appendix "B" Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. 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: December 15, 2004, Signature of Operator or Agent:

Title: Capital Project

Remember to:
- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACC-1 within 120 days of spud date;
- File acreage attribution form according to field production 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.
- If this permit has expired (see: authorized expiration date) please check the box below and return to the address below;

Well Not Drilled – Permit Expired
Signature of Operator or Agent:

Date:

Mail to: KCC – Conservation Division, 130 S. Market – Room 2078, Wichita, Kansas 67202
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 3/4 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15 -
Operator: OXY USA Inc.
Lease: English C
Well Number: 4
Field: Panoma Council Grove

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<thead>
<tr>
<th>Location of Well</th>
<th>County</th>
<th>Grant</th>
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Sec. 20 Twp. 27S R. 35
East West

Is Section
Regular or Irregular

If Section is irregular, locate well from nearest corner boundary.

Section corner used:
NE NW SE SW

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(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)

Note: In all cases locate the spot of the proposed drilling location.

Grant County

In plotting the proposed location of the well, you must show:
1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the sections south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG-8 for gas wells).