KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

All blanks must be filled in

KCC Use Only
Effective Date: 12/19/05
Submit Form to: KCC Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

Date 12/20/06

OPERATOR: License # 5447
Name: OXY USA Inc.
Address: P.O. Box 20306
City/State/Zip: Kansas City, MO 64195
Contact Person: Visit Card er
Phone: 1-800-872-4742

CONTRACTOR: License # 3946
Name: Mark Dunn Drilling Co., Inc.

Well Drilled For: Well Class: Type of Equipment: Drill Rig
Oil or Gas
Drilled: Not Rotary

If OILW: old well information as follows:
Operator:
Original Completion Date: 9/29/42
Original Total Depth: 3,700 ft
Directional, Deviated or Horizontal well?
Yes: No
IP Yes, true vertical depth:
82 feet
Sulphur Hill Location:
KCC DKT # 40-6-9-49

Well Location:

If OILW:

Well Number: Male A:
Well #:
Field Name: Purcell

Is this a Platoned/Spaced Field?
Yes: No

Target Formation(s):
Oklahoma Group

Nearest Lease or Unit Boundary:

Ground Surface Elevation:

Water well within one-quarter mile:

Pubic, water supply well within one-half mile:

Surface Pipe by Abatement:

Projected Total Depth:

Length of Conductor Pipe Required:

Water Source for Drilling Operations:

DWR Permit #:

Will Cores be Taken?

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. 65-101 et. seq.

This is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office prior to starting of well.
2. A copy of the approved notice of intent to drill shall be posted on a drilling rig. Notice shall be posted in a conspicuous place where the drilling rig is readily visible to the public.
3. The minimum number of days notice shall be seven days. Notice shall be given by mailing notice to the top of the well. The notice shall be mailed at least ten (10) days prior to drilling.
4. The district office may require a plug and/or abandonment when necessary to prevent water contamination.
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in.
6. If an ALTERNATE I COMPLETION, production pipe will be cemented from below any usable water to surface within 120 days of spud date. Or pursuant to Appendix II-E, Eastern Kansas surface casing order #33,681-C, which applies to the KCC DKT 3 area, all casing shall 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 12/20/06
Signature of Operator or Agent

For KCC Use Only

Conductor pipe required: None ft
Minimum Surface pipe required: 99 ft
Approved by 8/19/05

Agent: L. C. R."
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 prorated from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attributable unit for gas wells and within 1.5 mile of the boundaries of the proposed acreage attributable unit for oil wells.

ANY No. 15 -
Operator: COV USA Inc.
Lease: 3-A-9
Well Name: 3
Field: Parents
Number of Acres attributable to well 640
GTR / QTR / QTR of acreage: SE NW NW

Location of Well

County

Measure

feet from Line of Section

feet from Line of Section

East

West

In Section Regular or

Section is Irregular, locate well from nearest corner boundary.

Section corner used:

SE NW SW NW

PLAT

(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 S&P of the proposed drilling location.

In plotting the proposed location of the well, you must show:

1. The manner in which you are using the apportioned 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 west / east.
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 attributable plat must be attached. (CD-7 for all wells; CD-8 for gas wells.)

EXAMPLE

SEWARD CO.

1980

3390'
NOTICE TO OPERATORS DRILLING IN THE PANOMA-
COUNCIL GROVE GAS POOL SPACED AREA

The enclosed intent is located within the Panoma-Council Grove gas pool space area. In May 1978, Panoma-Council Grove Proration Order (as amended), Docket No. 60,024-C (C-7058) under FINDINGS OF FACT AND LAW on page 31, the following language is stated that:

"The Commission finds that in order to prevent waste and protect correlative rights, the following stated rules pertaining to wells already completed in the process of being drilled or for future wells to be drilled in the Panoma Council Grove Gas Pool Spaced area, and for wells producing from the Council Grove Formation outside of the Panoma Council Grove Gas Pool Spaced area within the Hugoton Gas Field, should be adopted."

1. "No dual completions between the Chase (Flaggston) and Council Grove Formations will be permitted for future wells drilled."

2. "Casing shall not be set above the top of the Council Grove Formation for a Council Grove producing well."

3. "The production casing of all new Council Grove wells should be cemented with a calculated volume of cement sufficient to force the casing from the bottom of the casing to a point 300 feet above the Chase Formation."

4. "The casing shall be encased in cement in the interval between the base of the Council Grove and the top of the Chase Formation on all wells, irrespective of depth, completed below the Council Grove Formation, if they are located within the space area."

5. "The cement co-erage hereof to be required shall be confirmed by the running of a recognized survey, such as a temperature survey or a weight on bit log."

A copy of this survey and the cement ticket(s) showing that all cement work has been completed, must be filed with the KCC-1 Completion Report within 120 days from the well’s spud date."

Failure to comply with these provisions may cause the well to be shut-in until compliance has been achieved.

If you have any questions, please feel free to contact the Conservation Division’s Production Department at (316) 377-6200.