

LOWE STATE GAS COM #6

BASIS FOR REQUEST

*** TO REPLACE ONE (1) TA'D AND (1) SHUTIN WELL WITH ONE (1) NEW WELL IN THE W/2 OF SEC. 36-T21S-R23E TO RECOVER EXISTING POTENTIAL RESERVES.**

*** DRILL A LOCATION NEAR THE LOWE STATE GAS COM #2 WHICH WAS ORIGINALLY PERFORATED IN THE UPPER 16' OF THE CISCO-CANYON (UPPER PENNSYLVANIAN) FORMATION AND PRODUCED 1.9 BSCFG BEFORE THE ZONE WAS CEMENT SQUEEZED AND ABANDONED .**

*** REQUESTED AND RECEIVED WRITTEN PERMISSION FROM OFFSET OPERATORS TO DRILL A NEW WELL IN SEC. 36.**

*** RE-ENTRY AND RECOMPLETION OF THE TA'D LOWE STATE GAS COM #2 WELL IS NOT PRACTICAL NOR FEASIBLE WITH KMG'S CURRENT DESIRED INDIAN BASIN COMPLETION PRACTICES.**

CD: 13202
EXHIBIT NO.: 9