Effective Date: 12503 OIL & GAS CONS	RATION COMMISSION SERVATION DIVISION Tent to DRILL Form must be Signed
	e (5) days prior to commencing well Ap 10 5 5 60 w of Spot
month day year	5/2 SWH4 - NW/4 - NW/4 Sec. 15 Twp. 34 S. R. 15 ▼ West
OPERATOR: License# 31885 Name: M & M Exploration, Inc. Address: 60 Garden Center, Suite 102 City/State/Zip: Broomfield, CO 80020	1000 feet from
Contact Person: Mike Austin Phone: 303-438-1991	County: Barber Lease Name: Z Bar Well #: 15-4
./	Field Name:
CONTRACTOR: License# 5929 V Name: Duke Drilling Co., Inc.	Is this a Prorated / Spaced Field? Target Formation(s): Mississippian
Well Drilled For: Oil	Nearest Lease or unit boundary: 600' Ground Surface Elevation: 1618 feet MSL Water well within one-quarter mile:
The undersigned hereby affirms that the drilling, completion and eventual	plugging of this well will comply with K.S.A. 55 et. seq. DEC 19 2005
through all unconsolidated materials plus a minimum of 20 feet into 4. If the well is dry hole, an agreement between the operator and the 5. The appropriate district office will be notified before well is either plu 6. If an ALTERNATE II COMPLETION, production pipe shall be cemer	ach drilling rig; set by circulating cement to the top; in all cases surface pipe shall be set the underlying formation. district office on plug length and placement is necessary prior to plugging; agged or production casing is cemented in; inted from below any usable water to surface within 120 days of spud date. or #133,891-C, which applies to the KCC District 3 area, alternate if 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.

(This authorization void if drilling not started within 6 months of approval date.)

_ Agent: _

Spud date:_

Date: December 13, 2005 Signature of Operator or Agent:	lfhath Title: President
For KCC Use ONLY API # 15 - OO7 - 22964-00-00 Conductor pipe required NONE feet Minimum surface pipe required 200 feet per Alt 1 a Approved by 12.70-05	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-ent - Submit plugging report (CP-4) after plugging is completed; - Obtain written approval before disposing or injecting salt water.
This authorization expires: 6-20-06	- If this permit has expired (See: authorized expiration date) please

- If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.

Well Not Drilled - Pen	mit Expired
Signature of Operator or Ag	ent:
D	ate:

15 34 /5w

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 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15												Location of Well: County: Barber						
Operator: M & M Exploration, Inc.												1	000		feet from ✓N / S Line of Section			
Lease: Z Bar Well Number: 15-4												6	00		feet from E / V W Line of Section			
											_	Sec. 15 Twp. 34 S. R. 15 East ✓ Wes						
Field:												_						
Number of Acres attributable to well: 16D OTR (OTR (OTR of acresce: SW/4 NW/4 NW/4									AI\A/	no.	Is Section: 🗸 Regular or 🗌 Irregular							
QTR / QTR / QTR of acreage: SW/4 NW/4 NW/4										INVV	-	If Section is Irregular, locate well from nearest corner boundary.						
													S	ectio	n corn	ner used: NE NW SE SW		
			(Show lo	ocatio						de att		table		_	for prorated or spaced wells.) poundary line.)		
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NOTE: In all cases locate the spot of the proposed drilling locaton.

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

 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.

SEWARD CO.

- 2. The distance of the proposed drilling location from the section's south / north and east / west.
- 3. The distance to the nearest lease or unit boundary line.
- If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).

KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR BRIAN J. MOLINE, CHAIR ROBERT E. KREHBIEL, COMMISSIONER MICHAEL C. MOFFET, COMMISSIONER

December 20, 2005

Mr. Mike Austin M & M Exploration, Inc. 60 Garden Center, Ste 102 Broomfield, CO 80020

RE: Drilling Pit Application

Z Bar Lease Well No. 15-4 NW/4 Sec. 15-34S-15W Barber County, Kansas

Dear Mr. Austin:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed <u>without slots</u>, the bottom shall be flat and reasonably level, and <u>compact the sides and bottom with clay</u>. The free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again as soon as practical after drilling operations have ceased.

If production casing is set all completion fluids shall be removed from the working pits daily. <u>NO</u> completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 when the fluids have been removed. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,

Kathy Haynes

Environmental Protection and Remediation Department

cc: S Durrant