

For KCC Use: 7-30-06
 Effective Date: 7-30-06
 District #: 4
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

CORRECTED

Form C-1
 December 2002
 Form must be Typed
 Form must be Signed
 All blanks must be Filled

NOTICE OF INTENT TO DRILL

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

Expected Spud Date July 30, 2006
 month day year

OPERATOR: License# 6627
 Name: Prospect Oil and Gas Corporation
 Address: Box 837
Russell, KS 67665
 City/State/Zip:
 Contact Person: Brad Hutchison
 Phone: (785) 483-6266 * * * * *

CONTRACTOR: License# 33237
 Name: Anderson Drilling

Well Drilled For:	Well Class:	Type Equipment:
<input checked="" type="checkbox"/> Oil <input type="checkbox"/> Gas <input type="checkbox"/> OWD <input type="checkbox"/> Seismic: # of Holes <input type="checkbox"/> Other	<input type="checkbox"/> Enh Rec <input type="checkbox"/> Storage <input type="checkbox"/> Disposal <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Mud Rotary <input type="checkbox"/> Air Rotary <input type="checkbox"/> Cable
<input type="checkbox"/> Pool Ext. <input type="checkbox"/> Wildcat		

If OWWO: old well information as follows:
 Operator: _____
 Well Name: _____
 Original Completion Date: _____ Original Total Depth: _____
 Directional, Deviated or Horizontal wellbore? Yes No
 If Yes, true vertical depth: _____
 Bottom Hole Location: _____
 KCC DKT #: _____

* WAS: Lease name: Lewis
 IS Lease name COOK

CORRECTED
 Spot East West
 CSW NW SE Sec. 10 Twp. 10 S. R. 21
1650 feet from N / S Line of Section
2310 feet from E / W Line of Section
 Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
 County: Graham
 Lease Name: Cook Well #: 1
 Field Name: Cook
 Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Kansas City
 Nearest Lease or unit boundary: 330'
 Ground Surface Elevation: 2215 feet MSL
 Water well within one-quarter mile: Yes No
 Public water supply well within one mile: Yes No
 Depth to bottom of fresh water: 150'
 Depth to bottom of usable water: 1940' 19'
 Surface Pipe by Alternate: 1 2
 Length of Surface Pipe Planned to be set: 200+
 Length of Conductor Pipe required: none
 Projected Total Depth: 4,000
 Formation at Total Depth: Kansas City
 Water Source for Drilling Operations:
 Well Farm Pond Other haul
 DWR Permit #: _____
 (Note: Apply for Permit with DWR)
 Will Cores be taken? Yes No
 If Yes, proposed zone: _____

AFFIDAVIT

RECEIVED
 KANSAS CORPORATION COMMISSION
 JUL 25 2006
 CONSERVATION DIVISION
 WICHITA, KS

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 59-6a, 59-6b, 59-6c, 59-6d, 59-6e, 59-6f, 59-6g, 59-6h, 59-6i, 59-6j, 59-6k, 59-6l, 59-6m, 59-6n, 59-6o, 59-6p, 59-6q, 59-6r, 59-6s, 59-6t, 59-6u, 59-6v, 59-6w, 59-6x, 59-6y, 59-6z, 59-6aa, 59-6ab, 59-6ac, 59-6ad, 59-6ae, 59-6af, 59-6ag, 59-6ah, 59-6ai, 59-6aj, 59-6ak, 59-6al, 59-6am, 59-6an, 59-6ao, 59-6ap, 59-6aq, 59-6ar, 59-6as, 59-6at, 59-6au, 59-6av, 59-6aw, 59-6ax, 59-6ay, 59-6az, 59-6ba, 59-6bb, 59-6bc, 59-6bd, 59-6be, 59-6bf, 59-6bg, 59-6bh, 59-6bi, 59-6bj, 59-6bk, 59-6bl, 59-6bm, 59-6bn, 59-6bo, 59-6bp, 59-6bq, 59-6br, 59-6bs, 59-6bt, 59-6bu, 59-6bv, 59-6bw, 59-6bx, 59-6by, 59-6bz, 59-6ca, 59-6cb, 59-6cc, 59-6cd, 59-6ce, 59-6cf, 59-6cg, 59-6ch, 59-6ci, 59-6cj, 59-6ck, 59-6cl, 59-6cm, 59-6cn, 59-6co, 59-6cp, 59-6cq, 59-6cr, 59-6cs, 59-6ct, 59-6cu, 59-6cv, 59-6cw, 59-6cx, 59-6cy, 59-6cz, 59-6da, 59-6db, 59-6dc, 59-6dd, 59-6de, 59-6df, 59-6dg, 59-6dh, 59-6di, 59-6dj, 59-6dk, 59-6dl, 59-6dm, 59-6dn, 59-6do, 59-6dp, 59-6dq, 59-6dr, 59-6ds, 59-6dt, 59-6du, 59-6dv, 59-6dw, 59-6dx, 59-6dy, 59-6dz, 59-6ea, 59-6eb, 59-6ec, 59-6ed, 59-6ee, 59-6ef, 59-6eg, 59-6eh, 59-6ei, 59-6ej, 59-6ek, 59-6el, 59-6em, 59-6en, 59-6eo, 59-6ep, 59-6eq, 59-6er, 59-6es, 59-6et, 59-6eu, 59-6ev, 59-6ew, 59-6ex, 59-6ey, 59-6ez, 59-6fa, 59-6fb, 59-6fc, 59-6fd, 59-6fe, 59-6ff, 59-6fg, 59-6fh, 59-6fi, 59-6fj, 59-6fk, 59-6fl, 59-6fm, 59-6fn, 59-6fo, 59-6fp, 59-6fq, 59-6fr, 59-6fs, 59-6ft, 59-6fu, 59-6fv, 59-6fw, 59-6fx, 59-6fy, 59-6fz, 59-6ga, 59-6gb, 59-6gc, 59-6gd, 59-6ge, 59-6gf, 59-6gg, 59-6gh, 59-6gi, 59-6gj, 59-6gk, 59-6gl, 59-6gm, 59-6gn, 59-6go, 59-6gp, 59-6gq, 59-6gr, 59-6gs, 59-6gt, 59-6gu, 59-6gv, 59-6gw, 59-6gx, 59-6gy, 59-6gz, 59-6ha, 59-6hb, 59-6hc, 59-6hd, 59-6he, 59-6hf, 59-6hg, 59-6hh, 59-6hi, 59-6hj, 59-6hk, 59-6hl, 59-6hm, 59-6hn, 59-6ho, 59-6hp, 59-6hq, 59-6hr, 59-6hs, 59-6ht, 59-6hu, 59-6hv, 59-6hw, 59-6hx, 59-6hy, 59-6hz, 59-6ia, 59-6ib, 59-6ic, 59-6id, 59-6ie, 59-6if, 59-6ig, 59-6ih, 59-6ii, 59-6ij, 59-6ik, 59-6il, 59-6im, 59-6in, 59-6io, 59-6ip, 59-6iq, 59-6ir, 59-6is, 59-6it, 59-6iu, 59-6iv, 59-6iw, 59-6ix, 59-6iy, 59-6iz, 59-6ja, 59-6jb, 59-6jc, 59-6jd, 59-6je, 59-6jf, 59-6jg, 59-6jh, 59-6ji, 59-6jj, 59-6jk, 59-6jl, 59-6jm, 59-6jn, 59-6jo, 59-6jp, 59-6jq, 59-6jr, 59-6js, 59-6jt, 59-6ju, 59-6jv, 59-6jw, 59-6jx, 59-6jy, 59-6jz, 59-6ka, 59-6kb, 59-6kc, 59-6kd, 59-6ke, 59-6kf, 59-6kg, 59-6kh, 59-6ki, 59-6kj, 59-6kk, 59-6kl, 59-6km, 59-6kn, 59-6ko, 59-6kp, 59-6kq, 59-6kr, 59-6ks, 59-6kt, 59-6ku, 59-6kv, 59-6kw, 59-6kx, 59-6ky, 59-6kz, 59-6la, 59-6lb, 59-6lc, 59-6ld, 59-6le, 59-6lf, 59-6lg, 59-6lh, 59-6li, 59-6lj, 59-6lk, 59-6ll, 59-6lm, 59-6ln, 59-6lo, 59-6lp, 59-6lq, 59-6lr, 59-6ls, 59-6lt, 59-6lu, 59-6lv, 59-6lw, 59-6lx, 59-6ly, 59-6lz, 59-6ma, 59-6mb, 59-6mc, 59-6md, 59-6me, 59-6mf, 59-6mg, 59-6mh, 59-6mi, 59-6mj, 59-6mk, 59-6ml, 59-6mm, 59-6mn, 59-6mo, 59-6mp, 59-6mq, 59-6mr, 59-6ms, 59-6mt, 59-6mu, 59-6mv, 59-6mw, 59-6mx, 59-6my, 59-6mz, 59-6na, 59-6nb, 59-6nc, 59-6nd, 59-6ne, 59-6nf, 59-6ng, 59-6nh, 59-6ni, 59-6nj, 59-6nk, 59-6nl, 59-6nm, 59-6nn, 59-6no, 59-6np, 59-6nq, 59-6nr, 59-6ns, 59-6nt, 59-6nu, 59-6nv, 59-6nw, 59-6nx, 59-6ny, 59-6nz, 59-6oa, 59-6ob, 59-6oc, 59-6od, 59-6oe, 59-6of, 59-6og, 59-6oh, 59-6oi, 59-6oj, 59-6ok, 59-6ol, 59-6om, 59-6on, 59-6oo, 59-6op, 59-6oq, 59-6or, 59-6os, 59-6ot, 59-6ou, 59-6ov, 59-6ow, 59-6ox, 59-6oy, 59-6oz, 59-6pa, 59-6pb, 59-6pc, 59-6pd, 59-6pe, 59-6pf, 59-6pg, 59-6ph, 59-6pi, 59-6pj, 59-6pk, 59-6pl, 59-6pm, 59-6pn, 59-6po, 59-6pp, 59-6pq, 59-6pr, 59-6ps, 59-6pt, 59-6pu, 59-6pv, 59-6pw, 59-6px, 59-6py, 59-6pz, 59-6qa, 59-6qb, 59-6qc, 59-6qd, 59-6qe, 59-6qf, 59-6qg, 59-6qh, 59-6qi, 59-6qj, 59-6qk, 59-6ql, 59-6qm, 59-6qn, 59-6qo, 59-6qp, 59-6qq, 59-6qr, 59-6qs, 59-6qt, 59-6qu, 59-6qv, 59-6qw, 59-6qx, 59-6qy, 59-6qz, 59-6ra, 59-6rb, 59-6rc, 59-6rd, 59-6re, 59-6rf, 59-6rg, 59-6rh, 59-6ri, 59-6rj, 59-6rk, 59-6rl, 59-6rm, 59-6rn, 59-6ro, 59-6rp, 59-6rq, 59-6rr, 59-6rs, 59-6rt, 59-6ru, 59-6rv, 59-6rw, 59-6rx, 59-6ry, 59-6rz, 59-6sa, 59-6sb, 59-6sc, 59-6sd, 59-6se, 59-6sf, 59-6sg, 59-6sh, 59-6si, 59-6sj, 59-6sk, 59-6sl, 59-6sm, 59-6sn, 59-6so, 59-6sp, 59-6sq, 59-6sr, 59-6ss, 59-6st, 59-6su, 59-6sv, 59-6sw, 59-6sx, 59-6sy, 59-6sz, 59-6ta, 59-6tb, 59-6tc, 59-6td, 59-6te, 59-6tf, 59-6tg, 59-6th, 59-6ti, 59-6tj, 59-6tk, 59-6tl, 59-6tm, 59-6tn, 59-6to, 59-6tp, 59-6tq, 59-6tr, 59-6ts, 59-6tt, 59-6tu, 59-6tv, 59-6tw, 59-6tx, 59-6ty, 59-6tz, 59-6ua, 59-6ub, 59-6uc, 59-6ud, 59-6ue, 59-6uf, 59-6ug, 59-6uh, 59-6ui, 59-6uj, 59-6uk, 59-6ul, 59-6um, 59-6un, 59-6uo, 59-6up, 59-6uq, 59-6ur, 59-6us, 59-6ut, 59-6uu, 59-6uv, 59-6uw, 59-6ux, 59-6uy, 59-6uz, 59-6va, 59-6vb, 59-6vc, 59-6vd, 59-6ve, 59-6vf, 59-6vg, 59-6vh, 59-6vi, 59-6vj, 59-6vk, 59-6vl, 59-6vm, 59-6vn, 59-6vo, 59-6vp, 59-6vq, 59-6vr, 59-6vs, 59-6vt, 59-6vu, 59-6vv, 59-6vw, 59-6vx, 59-6vy, 59-6vz, 59-6wa, 59-6wb, 59-6wc, 59-6wd, 59-6we, 59-6wf, 59-6wg, 59-6wh, 59-6wi, 59-6wj, 59-6wk, 59-6wl, 59-6wm, 59-6wn, 59-6wo, 59-6wp, 59-6wq, 59-6wr, 59-6ws, 59-6wt, 59-6wu, 59-6wv, 59-6ww, 59-6wx, 59-6wy, 59-6wz, 59-6xa, 59-6xb, 59-6xc, 59-6xd, 59-6xe, 59-6xf, 59-6xg, 59-6xh, 59-6xi, 59-6xj, 59-6xk, 59-6xl, 59-6xm, 59-6xn, 59-6xo, 59-6xp, 59-6xq, 59-6xr, 59-6xs, 59-6xt, 59-6xu, 59-6xv, 59-6xw, 59-6xx, 59-6xy, 59-6xz, 59-6ya, 59-6yb, 59-6yc, 59-6yd, 59-6ye, 59-6yf, 59-6yg, 59-6yh, 59-6yi, 59-6yj, 59-6yk, 59-6yl, 59-6ym, 59-6yn, 59-6yo, 59-6yp, 59-6yq, 59-6yr, 59-6ys, 59-6yt, 59-6yu, 59-6yv, 59-6yw, 59-6yx, 59-6yy, 59-6yz, 59-6za, 59-6zb, 59-6zc, 59-6zd, 59-6ze, 59-6zf, 59-6zg, 59-6zh, 59-6zi, 59-6zj, 59-6zk, 59-6zl, 59-6zm, 59-6zn, 59-6zo, 59-6zp, 59-6zq, 59-6zr, 59-6zs, 59-6zt, 59-6zu, 59-6zv, 59-6zw, 59-6zx, 59-6zy, 59-6zz

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 unconsolidated 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: July 25, 2006 Signature of Operator or Agent: Dorinda Thanda Title: Agent

For KCC Use ONLY
 API # 15 - 065-23207-0000
 Conductor pipe required None feet
 Minimum surface pipe required 200 feet per Alt. **X(2)**
 Approved by: RTH 7-25-06 / RTH 8-2-06
 This authorization expires: 1-25-07
 (This authorization void if drilling not started within 6 months of approval date.)
 Spud date: _____ Agent: _____

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-6) 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: _____

10
10
21W

Mail to: KCC - Conservation Division, 139 S. Market - Room 2078, Wichita, Kansas 67202

RECEIVED
 KANSAS CORPORATION COMMISSION
 AUG 01 2006
 CONSERVATION DIVISION
 WICHITA, KS

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT

Form GDP-1
April 2004
Data must be Typed

CORRECTED

Submit in Duplicate

CORRECTED

Operator Name: Prospect Oil & Gas Corporation		License Number: 6627
Operator Address: Box 837, Russell, KS 67665		
Contact Person: Brad Hutchison		Phone Number: (785) 483-6266
Lease Name & Well No.: Cook #1		Pit Location (OOQQ): C SW NW SE ✓ Sec. 10 Twp. 10 R. 21 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1650 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 2310 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Graham County
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WOP Supply API No. or Year Drilled)</small>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: Pit capacity: 3,600 (bbls)	Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No ✓ Chloride concentration: _____ mg/l <small>(For Emergency Pits and Settling Pits only)</small>
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used? native clay
Pit dimensions (all but working pits): 60 Length (feet) 60 Width (feet) N/A : Steel Pits Depth from ground level to deepest point: 5 (feet)		
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.
Distance to nearest water well within one-mile of pit 2221 feet Depth of water well 30 feet		Depth to shallowest fresh water 20 feet. Source of information: KGS _____ measured _____ well owner _____ electric log _____ KDWK
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: drilling mud Number of working pits to be utilized: 1 Abandonment procedure: air dry and backfill Drill pits must be closed within 365 days of spud date.
I hereby certify that the above statements are true and correct to the best of my knowledge and belief. July 25, 2006 Date Donna Skanda Signature of Applicant or Agent		

RECEIVED
KANSAS CORPORATION COMMISSION
JUL 25 2006
CONSERVATION DIVISION
WICHITA, KS

15-DUS-23207-0020

KCC OFFICE USE ONLY

Date Received: **7/25/06** Permit Number: _____ Permit Date: **7/25/06** Lease Inspection: Yes No

Mail to: KCC - Conservation Division, 138 S. Market - Room 2078, Wichita, Kansas 67202

RECEIVED
KANSAS CORPORATION COMMISSION
AUG 01 2006
CONSERVATION DIVISION
WICHITA, KS