For KCC Use:	0-72 No
Effective Date:	8-23-06
District #	
SGA? Yes	⋈ No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

December 2002 Form must be Typed Form must be Signed All blanks must be Filled

Function Court Page AUGUST 25, 2006	Sect 201 W S 1101 C
Expected Spud Date Month day year	Spot 80' W € 110' S
OPERATOR: License# 5316	1760 feet from V N / S Line of Section 1900 feet from E / V W Line of Section
Name: FALCON EXPLORATION INC.	
Address: 125 N. MARKET, SUITE 1252	Is SECTIONRegularIrregular?
City/State/Zip: WICHITA KS 67202	(Note: Locate well on the Section Plat on reverse side)
Contact Person: RON SCHRAEDER/MIKE MITCHELL	County: CLARK
Phone: 316-262-1378	Lease Name: DECKER Well #: 3
5822	Field Name: LEXINGTON NW
CONTRACTOR: License# 5822 Name: VAL ENERGY INC	Is this a Prorated / Spaced Field?
Ivality.	Target Formation(s): MORROW:MISS;VIOLA
Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary: 1760'
Oil / Enh Rec / Infield / Mud Rotary	Ground Surface Elevation: 2250' feet MSL
Gas Storage Pool Ext. Air Rotary	Water well within one-quarter mile: Yes VNo
Disposal Wildcat Cable	Public water supply well within one mile: Yes ✓ No
	Depth to bottom of fresh water: 150'
Seismic; # of Holes Other	Depth to bottom of usable water: 200'
Other	Surface Pipe by Alternate: 🚺 1 🗀 2
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set: 635'
Operator:	Length of Conductor Pipe required: NONE
Well Name:	Projected Total Depth: 6480'
	Formation at Total Depth: ARBUCKLE
Original Completion Date:Original Total Depth:	Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore?	Well Farm Pond Other XX
If Yes, true vertical depth:	DWR Permit #:
Bottom Hole Location:	
	(Note: Apply for Permit with DWR [_])
KCC DKT #:	Will Cores be taken? Yes ✓ No
	If Yes, proposed zone:
AFF	RECEIVED
	FIDAVIT KANSAS CORPORATION COMMISSION Studging of this well will comply with K.S.A. 55 et. seq.
	FIDAVIT KANSAS CORPORATION COMMISSION Studging of this well will comply with K.S.A. 55 et. seq.
The undersigned hereby affirms that the drilling, completion and eventual p	FIDAVIT KANSAS CORPORATION COMMISSION OF THIS WELL WILL COMPANY WITH K.S.A. 55 et. seq. AUG 1 7 2006
The undersigned hereby affirms that the drilling, completion and eventual plus is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on ea	FIDAVIT Straight of this well will comply with K.S.A. 55 et. seq. AUG 1 7 2006 CONSERVATION DIVISION
The undersigned hereby affirms that the drilling, completion and eventual plt is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on ea 3. The minimum amount of surface pipe as specified below <i>shall be</i> set	FIDAVIT Straight of this well will comply with K.S.A. 55 et. seq. AUG 1.7 2006 CONSERVATION DIVISION et by circulating cement to the top; in all cases surface pipel/HIGHTIDE KET
The undersigned hereby affirms that the drilling, completion and eventual plt is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on ea. 3. The minimum amount of surface pipe as specified below <i>shall be</i> so through all unconsolidated materials plus a minimum of 20 feet into the second content of the secon	PRECEIVED KANSAS CORPORATION COMMISSI AUG 1 7 2006 Inch drilling rig; CONSERVATION DIVISION the underlying formation.
The undersigned hereby affirms that the drilling, completion and eventual plt is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on ea. 3. The minimum amount of surface pipe as specified below <i>shall be</i> so through all unconsolidated materials plus a minimum of 20 feet into the desired of the well is dry hole, an agreement between the operator and the constant of the	PRECEIVED KANSAS CORPORATION COMMISSI AUG 1 7 2006 The drilling rig; CONSERVATION DIVISION The underlying formation. district office on plug length and placement is necessary prior to plugging;
The undersigned hereby affirms that the drilling, completion and eventual plt is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on ea. 3. The minimum amount of surface pipe as specified below <i>shall be</i> so through all unconsolidated materials plus a minimum of 20 feet into the description of the district office will be notified before well is either plus.	PRECEIVED KANSAS CORPORATION COMMISSI AUG 1 7 2006 The drilling rig; The drilling r
The undersigned hereby affirms that the drilling, completion and eventual plus is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on ead. 3. The minimum amount of surface pipe as specified below <i>shall be</i> so through all unconsolidated materials plus a minimum of 20 feet into the defense of the well is dry hole, an agreement between the operator and the plus the appropriate district office will be notified before well is either plus for an ALTERNATE II COMPLETION, production pipe shall be cement.	PRECEIVED KANSAS CORPORATION COMMISSI AUG 1 7 2006 The drilling rig; The conservation Division of the underlying formation. The underlying formation. The underlying formation. The underlying formation. The underlying formation of the underlying formation. The underlying formation of the underlying formation. The underlying formation of the underlying formation of the underlying formation. The underlying formation of the underlying formation of the underlying formation of the underlying formation. The underlying formation of the underlying formation of the underlying formation of the underlying formation of the underlying formation.
The undersigned hereby affirms that the drilling, completion and eventual plus is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on ead. 3. The minimum amount of surface pipe as specified below <i>shall be</i> so through all unconsolidated materials plus a minimum of 20 feet into the second of the total surface pipe as the operator and the second of the well is dry hole, an agreement between the operator and the second of the second of the second of the second of the plus of the second of	FIDAVIT Sugging of this well will comply with K.S.A. 55 et. seq. AUG 1 7 2006 The conservation depends on the control of th
The undersigned hereby affirms that the drilling, completion and eventual plt is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on ea. 3. The minimum amount of surface pipe as specified below <i>shall be</i> so through all unconsolidated materials plus a minimum of 20 feet into the second of the second of the second of the well is dry hole, an agreement between the operator and the constant of the second of	PRECEIVED KANSAS CORPORATION COMMISSI AUG 1 7 2006 Auch drilling rig; CONSERVATION DIVISION the underlying formation. district office on plug length and placement is necessary prior to plugging; gged or production casing is cemented in; the difference of the surface within 120 days of spud date. #133,891-C, which applies to the KCC District 3 area, alternate II cementing be plugged. In all cases, NOTIFY district office prior to any cementing.
The undersigned hereby affirms that the drilling, completion and eventual plus agreed that the following minimum requirements will be met: 1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on ead. 3. The minimum amount of surface pipe as specified below <i>shall be set</i> through all unconsolidated materials plus a minimum of 20 feet into the desired states of the well is dry hole, an agreement between the operator and the constitution of the desired strict office will be notified before well is either plus of an ALTERNATE II COMPLETION, production pipe shall be cemen. Or pursuant to Appendix "B" - Eastern Kansas surface casing order must be completed within 30 days of the spud date or the well shall a hereby certify that the statements made herein are true and to the best of	FIDAVIT Sugging of this well will comply with K.S.A. 55 et. seq. AUG 1 7 2006 The drilling rig; The conservation district office on plug length and placement is necessary prior to plugging; gged or production casing is cemented in; attended on the low any usable water to surface within 120 days of spud date. The surface within 120 days of spud date.
The undersigned hereby affirms that the drilling, completion and eventual plus is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on ead. 3. The minimum amount of surface pipe as specified below <i>shall be</i> so through all unconsolidated materials plus a minimum of 20 feet into tour the well is dry hole, an agreement between the operator and the constitution of the surface will be notified before well is either plus for an ALTERNATE II COMPLETION, production pipe shall be cement or pursuant to Appendix "B" - Eastern Kansas surface casing order must be completed within 30 days of the spud date or the well shall hereby certify that the statements made herein are true and to the best of the surface of the statements made herein are true and to the best of the statements made herein are true and to the statements are true and to the statements are true	FIDAVIT Sugging of this well will comply with K.S.A. 55 et. seq. AUG 1 7 2006 The drilling rig; The conservation district office on plug length and placement is necessary prior to plugging; gged or production casing is cemented in; attended on the low any usable water to surface within 120 days of spud date. The surface within 120 days of spud date.
The undersigned hereby affirms that the drilling, completion and eventual plt is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on ea. 3. The minimum amount of surface pipe as specified below <i>shall be</i> so through all unconsolidated materials plus a minimum of 20 feet into the second of the second of the second of the well is dry hole, an agreement between the operator and the constant of the second of	FIDAVIT Solugging of this well will comply with K.S.A. 55 et. seq. AUG 1 7 2006 AUG 1 7 2006 AUG 1 7 2006 AUG 1 7 2006 August 1 7 2006 August 1 7 2006 August 2 7 2006 August 2 7 2006 August 2 7 2006 Conservation Division Conservation Division August 2 7 2006 Conservation Division August 2 7 2006 Conservation Division August 2 7 2006 Conservation Division Conservation Division August 2 7 2006 Conservation Division August 2 7 2006 Conservation Division Conservation Division August 2 7 2006 Conservation Division Conservation Division August 2 7 2006 August
The undersigned hereby affirms that the drilling, completion and eventual plus agreed that the following minimum requirements will be met: 1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on ea. 3. The minimum amount of surface pipe as specified below <i>shall be</i> so through all unconsolidated materials plus a minimum of 20 feet into the description of the well is dry hole, an agreement between the operator and the constitution of the well is either plus. 5. The appropriate district office will be notified before well is either plus. 6. If an ALTERNATE II COMPLETION, production pipe shall be cement or pursuant to Appendix "B" - Eastern Kansas surface casing order must be completed within 30 days of the spud date or the well shall hereby certify that the statements made herein are true and to the best of the constant of the plus of the spud date or the well shall. Date: 8/17/06 Signature of Operator or Agent:	AUG 1 7 2006 The conservation depends of this well will comply with K.S.A. 55 et. seq. AUG 1 7 2006 The conservation depends of this well will comply with K.S.A. 55 et. seq. Conservation depends of the top; in all cases surface pipeline in the underlying formation. The underlying formation. The underlying formation of the underlying formation. The underlying formation of the underlying formation of the underlying formation. The underlying formation of the underlying formation of the underlying formation. The underlying formation of the underlying formation of the underlying formation of the underlying formation. The underlying formation of the underlying formation of the underlying formation of the underlying formation. The underlying formation depends on the underlying formation of the underlying formation. The underlying formation depends on the underlying formation of the underlying formation. The underlying formation depends on the underlying formation depends on the underlying formation. The underlying formation depends on the underlying formation depends on the underlying formation depends on the underlying formation. The underlying formation depends on the underlying formation depends on the underlying formation. The underlying formation depends on the underlying formation depends on the underlying formation. The underlying formation depends on the underlyin
The undersigned hereby affirms that the drilling, completion and eventual plus is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on ead. 3. The minimum amount of surface pipe as specified below <i>shall be</i> so through all unconsolidated materials plus a minimum of 20 feet into the description of the well is dry hole, an agreement between the operator and the control of the surface of the well is either plus of the appropriate district office will be notified before well is either plus of the appropriate district office will be notified before well is either plus or pursuant to Appendix "B" - Eastern Kansas surface casing order must be completed within 30 days of the spud date or the well shall hereby certify that the statements made herein are true and to the best of the control of the plus of the spud date or the well shall. 1 hereby certify that the statements made herein are true and to the best of the control of the plus of the spud date or the well shall. 2 Signature of Operator or Agent: 4 For KCC Use ONLY	AUG 1 7 2006 The conservation depends of this well will comply with K.S.A. 55 et. seq. AUG 1 7 2006 The conservation depends of this well will comply with K.S.A. 55 et. seq. Conservation depends of the top; in all cases surface pipeline in the underlying formation. The underlying formation. The underlying formation of the top; in all cases surface pipeline in the underlying formation. The underlying formation of the underlying formation of the underlying formation. The underlying formation of the underlying formation of the underlying formation of the underlying formation. The underlying formation of the underlying formation. The underlying formation of the underlying formation. The underlying formation of the
The undersigned hereby affirms that the drilling, completion and eventual plus agreed that the following minimum requirements will be met: 1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on ea. 3. The minimum amount of surface pipe as specified below <i>shall be</i> so through all unconsolidated materials plus a minimum of 20 feet into the 4. If the well is dry hole, an agreement between the operator and the constitution of the spropriate district office will be notified before well is either plus for an ALTERNATE II COMPLETION, production pipe shall be determined by the completed within 30 days of the spud date or the well shall hereby certify that the statements made herein are true and to the best of the constitution of the spud date or the well shall hereby certify that the statements made herein are true and to the best of the constitution of the constitutio	AUG 1 7 2006 The complete of this well will comply with K.S.A. 55 et. seq. AUG 1 7 2006 The complete of this well will comply with K.S.A. 55 et. seq. AUG 1 7 2006 The complete of this well will comply with K.S.A. 55 et. seq. Conservation district office on plus complete of the underlying formation. The underlying formation of the top; in all cases surface pipeling is plugging; and plugging; and plugging; and plugging; are underlying form below any usable water to surface within 120 days of spud date. The prior to any cementing of my knowledge and belief. The underlying formation. The underlying formation of the top; in all cases surface pipeling is a constant to plugging; and the underlying formation. The underlying formation of the underlying formation. The underlying formation of the underlying formation of the underlying formation. The underlying formation of the underlying formation of the underlying formation. The underlying formation of the underlying formation of the underlying formation. The underlying formation of the underlying formation of the underlying formation. The underlying formation of the underlying formation of the underlying formation. The underlying formation of the underlying formation
The undersigned hereby affirms that the drilling, completion and eventual plus is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office <i>prlor</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on ead. 3. The minimum amount of surface pipe as specified below <i>shall be</i> so through all unconsolidated materials plus a minimum of 20 feet into the second of the well is dry hole, an agreement between the operator and the control of the surface of the well is either plus of the appropriate district office will be notified before well is either plus of the appropriate district office will be notified before well is either plus or pursuant to Appendix "B" - Eastern Kansas surface casing order must be completed within 30 days of the spud date or the well shall hereby certify that the statements made herein are true and to the best of the control of the plus of the plus of the spud date or the well shall. For KCC Use ONLY API # 15 - 235 21380 - 0000	AUG 1 7 2006 The complete of this well will comply with K.S.A. 55 et. seq. AUG 1 7 2006 The complete of this well will comply with K.S.A. 55 et. seq. AUG 1 7 2006 The complete of the top; in all cases surface pipeling of the underlying formation. The underlying formation of spud date. The underlying formation of spud date. The underlying formation of spud date. The underlying formation of spud date; The underlying formation of spud spud spud spud date; The underlying formation of spud spud spud spud spud spud spud spud
The undersigned hereby affirms that the drilling, completion and eventual plus is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on ea 3. The minimum amount of surface pipe as specified below <i>shall be</i> so through all unconsolidated materials plus a minimum of 20 feet into the 4. If the well is dry hole, an agreement between the operator and the constitution of the surface of the specific will be notified before well is either plus in the surface and the constitution of the specific will be comentally of the spud date or the well shall hereby certify that the statements made herein are true and to the best of the specific will be completed within 30 days of the spud date or the well shall hereby certify that the statements made herein are true and to the best of the specific will be completed. Signature of Operator or Agent: For KCC Use ONLY API # 15 - 235 21380-0000 Conductor pipe required 1220 feet	AUG 1 7 2006 The complete com
The undersigned hereby affirms that the drilling, completion and eventual plus 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 ea 3. The minimum amount of surface pipe as specified below shall be so through all unconsolidated materials plus a minimum of 20 feet into the second strict office will be notified before well is either plus or pursuant to Appendix "B" - Eastern Kansas surface casing order must be completed within 30 days of the spud date or the well shall hereby certify that the statements made herein are true and to the best of the second strict of the spud date or the well shall. For KCC Use ONLY API # 15 - 235 21380-0000 Conductor pipe required 1220 feet per Alt. (1) Yellow the surface pip	IDAVIT Sugging of this well will comply with K.S.A. 55 et. seq. AUG 1.7 2006 Aught 1.7 2006 Conservation division In all cases surface pipeling in the plugging; and placement is necessary prior to plugging; and placement in the underlying formation. In all cases is completed in; and cases of spud date. In all cases, NOTIFY district office prior to any cementing and be plugged. In all cases, NOTIFY district office prior to any cementing. In all cases, NOTIFY district office prior to any cementing. In all cases is a constant of specific prior to any cementing. In all cases is a constant of specific prior to any cementing. In all cases is a constant of specific prior to any cementing. In all cases is a constant of specific prior to any cementing. In all cases is a constant of specific prior to any cementing. In all cases is a constant of specific prior to any cementing. In all cases is a constant of specific prior to any cementing. In all cases is a constant of specific prior to any cementing. In all cases is a constant of specific prior to any cementing of specific prior to any cementing. In all cases is a constant of specific prior to any cementing of specific prior to plugging is cemented in; In all cases is a constant of the constant
The undersigned hereby affirms that the drilling, completion and eventual plus 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 ea. 3. The minimum amount of surface pipe as specified below shall be such through all unconsolidated materials plus a minimum of 20 feet into the second structure of the second shall be such through all unconsolidated materials plus a minimum of 20 feet into the second shall be such through all unconsolidated materials plus a minimum of 20 feet into the second shall be such through all unconsolidated materials plus a minimum of 20 feet into the second shall be such that the state of the second shall be such that the statement of the production pipe shall be cement or pursuant to Appendix "B" - Eastern Kansas surface casing order must be completed within 30 days of the spud date or the well shall hereby certify that the statements made herein are true and the best of the second shall be such that the statements made herein are true and the best of the second shall be such that the statements made herein are true and the best of the second shall be such that the statements made herein are true and the best of the second shall be such that the statements made herein are true and the best of the second shall be such that the statement of the specific shall be such that the statement of the second shall be	Aug 1 7 2006 The drilling rig; The conservation Division of this well will comply with K.S.A. 55 et. seq. Aug 1 7 2006 The drilling rig; The underlying formation. The underlying formation of the underlying formation of the underlying formation orders; The underlying formation of the underlying formation orders; The underlying formation of the underlying formation 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.
The undersigned hereby affirms that the drilling, completion and eventual plus 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 ea 3. The minimum amount of surface pipe as specified below shall be so through all unconsolidated materials plus a minimum of 20 feet into the second strict office will be notified before well is either plus or pursuant to Appendix "B" - Eastern Kansas surface casing order must be completed within 30 days of the spud date or the well shall hereby certify that the statements made herein are true and to the best of the second strict of the spud date or the well shall. For KCC Use ONLY API # 15 - 235 21380-0000 Conductor pipe required 1220 feet per Alt. (1) Yellow the surface pip	AUG 1 7 2006 The drilling rig; The conservation division of this well will comply with K.S.A. 55 et. seq. AUG 1 7 2006 The drilling rig; The underlying formation. The underlying formation of the underlying formation of the underlying form below any usable water to surface within 120 days of spud date. The plugged. In all cases, NOTIFY district office prior to any cementing. The underlying formation (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-4) after plugging is completed; Obtain written approval before disposing or injecting salt water. If this permit has expired (See: authorized expiration date) please
The undersigned hereby affirms that the drilling, completion and eventual plus 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 ea. 3. The minimum amount of surface pipe as specified below shall be so through all unconsolidated materials plus a minimum of 20 feet into to 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 plus 6. If an ALTERNATE II COMPLETION, production pipe shall be cemen Or pursuant to Appendix "B" - Eastern Kansas surface casing order must be completed within 30 days of the spud date or the well shall 1 hereby certify that the statements made herein are true and to the best of the spud state of the spud state of Operator or Agent: Date: 8/17/06	Aug 1 7 2006 Conservation density of this well will comply with K.S.A. 55 et. seq. Conservation density of the underlying formation. district office on plug length and placement is necessary prior to plugging; good or production casing is cemented in; the deform below any usable water to surface within 120 days of spud date. #133,891-C, which applies to the KCC district 3 area, alternate II cementing be plugged. In all cases, NOTIFY district office prior to any cementing. If the 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-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.
The undersigned hereby affirms that the drilling, completion and eventual plus 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 ea. 3. The minimum amount of surface pipe as specified below shall be so through all unconsolidated materials plus a minimum of 20 feet into to 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 plus 6. If an ALTERNATE II COMPLETION, production pipe shall be cemen Or pursuant to Appendix "B" - Eastern Kansas surface casing order must be completed within 30 days of the spud date or the well shall 1 hereby certify that the statements made herein are true and to the best of the spud date or the well shall 2 hereby certify that the statements made herein are true and to the best of the spud date or the well shall 2 hereby certify that the statements made herein are true and to the best of the spud date or the well shall 3 hereby certify that the statements made herein are true and to the best of the spud date or the well shall 3 hereby certify that the statements made herein are true and to the best of the spud date or the well shall 4 hereby certify that the statements made herein are true and to the best of the spud date or the well shall 4 hereby certify that the statements made herein are true and to the best of the spud date or the well shall 4 hereby certify that the statements made herein are true and to the best of the spud date or the well shall 5 hereby certified before well shall 5 hereby certified before well is either plus 6. If the well is dry to the spud date or the well shall 5 hereby certified before well is either plus 6. If the well is dry to the spud date or the shall be seen through the shall be seen	AUG 1 7 2006 CONSERVATION DIVISION and the underlying formation. Conservation Division and the underlying formation. Conservation district office on plug length and placement is necessary prior to plugging; and or production casing is cemented in; and from below any usable water to surface within 120 days of spud date. If 133,891-C, which applies to the KCC District 3 area, alternate II cementing be plugged. In all cases, NOTIFY district office prior to any cementing. If my knowledge and belief. 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-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
The undersigned hereby affirms that the drilling, completion and eventual plus 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 ea. 3. The minimum amount of surface pipe as specified below shall be so through all unconsolidated materials plus a minimum of 20 feet into to 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 plus 6. If an ALTERNATE II COMPLETION, production pipe shall be cement or pursuant to Appendix "B" - Eastern Kansas surface casing order must be completed within 30 days of the spud date or the well shall 1 hereby certify that the statements made herein are true and to the best of the spud state of Operator or Agent: Date: 8/17/06	AUG 1 7 2006 CONSERVATION DIVISION and the underlying formation. Conservation Division and the underlying formation. Conservation district office on plug length and placement is necessary prior to plugging; and or production casing is cemented in; and from below any usable water to surface within 120 days of spud date. If 133,891-C, which applies to the KCC District 3 area, alternate II cementing be plugged. In all cases, NOTIFY district office prior to any cementing. If my knowledge and belief. 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-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
The undersigned hereby affirms that the drilling, completion and eventual plus 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 ea. 3. The minimum amount of surface pipe as specified below shall be so through all unconsolidated materials plus a minimum of 20 feet into to 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 plus 6. If an ALTERNATE II COMPLETION, production pipe shall be cemen Or pursuant to Appendix "B" - Eastern Kansas surface casing order must be completed within 30 days of the spud date or the well shall 1 hereby certify that the statements made herein are true and to the best of the spud state of Operator or Agent: Date: 8/17/06	AUG 1 7 2006 CONSERVATION DIVISION and the underlying formation. district office on plug length and placement is necessary prior to plugging; gged or production casing is cemented in; and from below any usable water to surface within 120 days of spud date. #133,891-C, which applies to the KCC District 3 area, alternate II cementing be plugged. In all cases, NOTIFY district office prior to any cementing. If the 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-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

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.

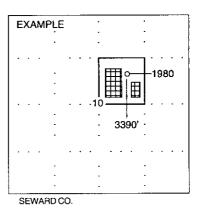
API No. 15 - 025-21380-0000	Location of Well: County: CLARK
Operator: FALCON EXPLORATION INC.	· · · · · · · · · · · · · · · · · · ·
Lease: DECKER	feet from N / S Line of Section 1900 feet from E / W Line of Section
Well Number: 3 Field: LEXINGTON NW	Sec. 12 Twp. 31S S. R. 22 East ✓ West
Number of Acres attributable to well: QTR / QTR / QTR of acreage: C N/2 - SE - NW	Is Section: Regular or Irregular If Section is Irregular, locate well from nearest corner boundary.
	Section corner used: NE NW SE SW

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.)

	•	1			
1 .		1.		,	
1		1			
		1.			
	•	1.	•	•	•
		1			
1 .	•	1 -			-
1		i			
1		1			
1		1-			
					· · · ·
1		1760			
1		,-			
1		1.0			
	•	100		•	
1		1)		
		11	•		•
1		1.	1		
1		[1			
1		1			
	1900	1			
1	1 9 1 1 1 1	1	i		
1	100	1			
1		I .			
		`	· ·		
,				•	•
1			l		
1 .					
1 .	•	-	1		
1			I		
1			1		
1					
1 .					
1 '	•		l		
1			l		
		•	•		•
l .					
	•				
1					
		4	^ ·	•	•
1			2		
	•	•		•	-
		•	•		
] :		•		•	
		•	- -		
	•	•	I .		• • •
	· ·	•			• •
	•	•	· ·		• •
	· ·		· · ·		• • •
	· · ·				
	· · ·		· · ·		· · ·
	•		· · ·		· · ·
	•				-
-				· · · · · · · · · · · · · · · · · · ·	-
					· · ·
					· · · · · · · ·
				: 	· · · · · · · ·
					· · · ·
-					•
					· · · · · · · ·
					· · · · · · · ·
					· · · · · · · · · ·
					·

RECEIVED KANSAS CORPORATION COMMISSION AUG 1 7 2006

CONSERVATION DIVISION WICHITA, KS



NOTE: In all cases locate the spot of the proposed drilling locaton.

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 section's 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: (C0-7 for oil wells; CG-8 for gas wells).

Kansas Corporation Commission Oil & Gas Conservation Division

Form CDP-1 April 2004 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: FALCON EXPLORATION INC.			License Number: 5316		
Operator Address: 125 N. MARKE	T, SUITE 125	52, WICHIT	A KS 67202		
Contact Person: RON SCHRAEDER/MIKE MITCHELL			Phone Number: (316) 262 - 1378		
Lease Name & Well No.: DECKER #3		Pit Location (QQQQ):			
Type of Pit:	Pit is:				
Emergency Pit Burn Pit	Proposed Existing		Sec. 12 Twp. 31S R. 22W ☐ East ✓ West		
Settling Pit	If Existing, date constructed:		Feet from 🗸 North / 🗌 South Line of Section		
Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit capacity:		1900 Feet from East / West Line of Section		
		(bbls)	CLARK County		
Is the pit located in a Sensitive Ground Water	Area? ☐ Yes 🛴	No	Chloride concentration: mg/l		
Is the bottom below ground level?	Artificial Liner?		(For Emergency Pits and Settling Pits only) How is the pit lined if a plastic liner is not used?		
✓ Yes No	Yes 🗌	No	NATIVE CLAY AND MUD		
Pit dimensions (all but working pits):	0 Length (fe	eet) 100	Width (feet) N/A: Steel Pits		
Depth fro	om ground level to de	epest point: 3.5	(feet)		
If the pit is lined give a brief description of the material, thickness and installation procedure		Describe proce	edures for periodic maintenance and determinin		
material, illustrose and installation processor	'	mior mogney,	KANSAS CORPORATION CON		
			AUG 1 7 2006		
			CONSERVATION DIVISH WICHITA, KS		
• • • • • • • • • • • • • • • • • • • •		Depth to shallo Source of infor	flowest fresh waterfeet.		
NA feet Depth of water wellfeet		measuredwell owner electric logKDWR			
Emergency, Settling and Burn Pits ONLY:		Drilling, Workover and Haul-Off Pits ONLY:			
Producing Formation: Type		Type of materia	Type of material utilized in drilling/workover: CHEMICAL MUD		
			Number of working pits to be utilized: 3		
!			Abandonment procedure: HAUL OFF FREE FLUIDS AND ALLOW TO		
Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No		DRY COMPLETELY Drill pits must be closed within 365 days of spud date. correct to the best of my knowledge and belief.			
I hereby certify that the above state	monte are true and a				
Thereby certify that the above state	ments are true and o	Totalect to the bes	t of my knowledge and belief.		
8/17/06		2 M 1011	1) Auraede		
Date		rrung	ignature of Applicant or Agent		
	ксс	OFFICE USE O	NLY REAST		

KANSAS

CORPORATION COMMISSION

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

August 18, 2006

Mr. Ron Schraeder Falcon Exploration, Inc. 125 N. Market Ste 1252 Wichita, KS 67202

Re:

Drilling Pit Application Decker Lease Well No. 3 NW/4 Sec. 12-31S-22W Clark County, Kansas

Dear Mr. Schraeder:

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 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. NO 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

Department of Environmental Protection and Remediation

cc: File