

For KCC Use: 9-406
Effective Date: 4
District # 4
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

OWWO

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

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

Expected Spud Date September 4, 2006
month day year

OPERATOR: License# 30598
Name: Habit Petroleum, LLC
Address: 639 280th Avenue
City/State/Zip: Hays, KS 67601
Contact Person: Irvin E. Haselhorst
Phone: (785) 625-6190

CONTRACTOR: License# 33346
Name: TR Service and Rental, Inc.

Well Drilled For: Oil Gas **OWWO** Seismic; # of Holes Other
 Enh Rec Storage Disposal
Well Class: Infield Pool Ext. Wildcat Other
Type Equipment: Mud Rotary Air Rotary Cable

If OWWO: old well information as follows:
Operator: Phillips Petroleum Company **Bowman Oil Company**
Well Name: Neck #3 **Novotny #3**
Original Completion Date: 4-08-52 Original Total Depth: 3,510'
PKA 5-8-02
Directional, Deviated or Horizontal wellbore? Yes No
If Yes, true vertical depth: _____
Bottom Hole Location: _____
KCC DKT #: _____

Spot SW SE NE Sec. 15 Twp. 9 S. R. 19 East West
2,970 feet from N / S Line of Section
990 feet from E / W Line of Section

Is SECTION Regular Irregular?
(Note: Locate well on the Section Plat on reverse side)

County: Rooks
Lease Name: Nech-B Well #: 3
Field Name: Jelinek

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Arbuckle
Nearest Lease or unit boundary: 990'

Ground Surface Elevation: 2,073 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: 180' 160' ±
Depth to bottom of usable water: 800'

Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 185' 189' Alt 2
Length of Conductor Pipe required: none
Projected Total Depth: 3,515'
Formation at Total Depth: Arbuckle
Water Source for Drilling Operations: Well Farm Pond Other
DWR Permit #: _____

(Note: Apply for Permit with DWR)
Will Cores be taken? Yes No
If Yes, proposed zone: _____

AFFIDAVIT

RECEIVED

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. ~~KANSAS~~ CORPORATION COMMISSION
It is agreed that the following minimum requirements will be met:

AUG 30 2006

CONSERVATION DIVISION
WICHITA, KS

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: August 30, 2006 Signature of Operator or Agent: Donna Manda Title: Agent

For KCC Use ONLY
API # 15 - 163-02241-00-02
Conductor pipe required None feet
Minimum surface pipe required 189 feet per Alt. **XO 2**
Approved by: Putt 8-30-06
This authorization expires: 2-28-07
(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-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
Signature of Operator or Agent: _____
Date: _____

*15
b
m61*

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

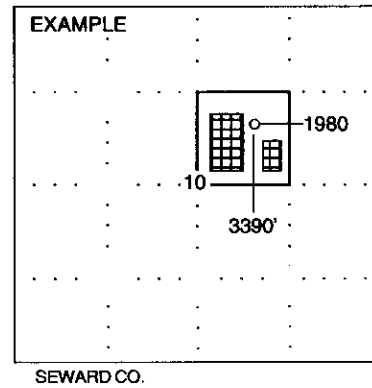
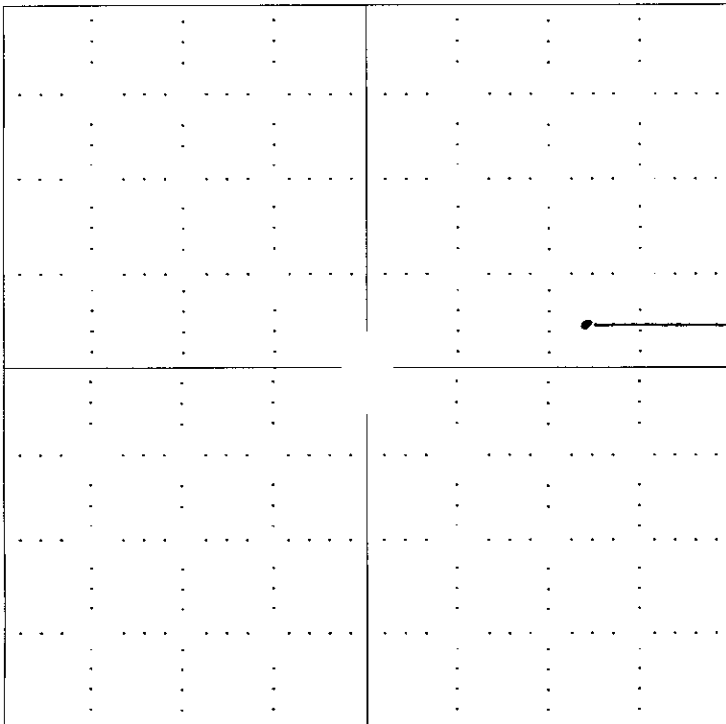
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 - 163-02241-00-02
 Operator: Habit Petroleum, LLC
 Lease: Nech-B
 Well Number: 3
 Field: Jelinek
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: SW - SE - NE

Location of Well: County: Rooks
2,970 feet from N / S Line of Section
990 feet from E / W Line of Section
 Sec. 15 Twp. 9 S. R. 19 East West
 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.)*



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: (CO-7 for oil wells; CG-8 for gas wells).

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

Form CDP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: Habit Petroleum, Inc.		License Number: 30598
Operator Address: 639 280th Avenue, Hays, KS 67601		
Contact Person: Irvin E. Haselhorst		Phone Number: (785) 625 - 9190
Lease Name & Well No.: Nech-B #3		Pit Location (QQQQ): SW SE NE
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 WP Supply API No. or Year Drilled)</small> #15-163-02241 4-9-52	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 80 (bbls)	Sec. 15 Twp. 9 R. 19 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 2,970 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 990 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Rooks County
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?
Pit dimensions (all but working pits): 12 Length (feet) 8 Width (feet) _____ N/A: Steel Pits Depth from ground level to deepest point: 4 (feet)		
If the pit is lined give a brief description of the liner material, thickness and installation procedure. 10 mil plastic		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. washdown should take 3 days
Distance to nearest water well within one-mile of pit n/a feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: _____ measured _____ well owner _____ electric log _____ KDWR
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: fresh water & drilling mud Number of working pits to be utilized: 2 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. _____ August 30, 2006 _____ Date Signature of Applicant or Agent <i>Donna Thanda</i>		

15-163-02241-00-02

KCC OFFICE USE ONLY			
Date Received: 8/30/06	Permit Number: _____	Permit Date: 8/30/06	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

RECEIVED
KANSAS CORPORATION COMMISSION
AUG 30 2006
CONSERVATION DIVISION
WICHITA, KS

STATE OF KANSAS
STATE CORPORATION COMMISSION
30 S. Market, Room 2078
Wichita, KS 67202

WELL PLUGGING RECORD
K.A.R.-82-3-117

API NUMBER 15-163-02241-00-06

LEASE NAME Novotny

WELL NUMBER # 3

2310 Ft. from N Section Line

990 Ft. from E Section Line

SEC. 15 TWP. 9 RGE. 19

COUNTY Rooks

Date Well Completed 4/9/52

Plugging Commenced 5/8/02

Plugging Completed 5/8/02

RECEIVED
JUL 15 2002

TYPE OR PRINT
NOTICE: Fill out completely
and return to Cons. Div.
office within 30 days.

LEASE OPERATOR KCC WICHITA
Bowman Oil Company

ADDRESS 805 Codell Road, Codell, KS 67663

PHONE # (785) 434-2286 OPERATORS LICENSE NO. 6931

Character of Well oil

~~(Oil, Gas, or Water Supply)~~

The plugging proposal was approved on 5/1/02 (date)

by Dennis Hamel (KCC District Agent's Name).

Is ACO-1 filed? yes If not, is well log attached? _____

Producing Formation Arbuckle Depth to Top _____ Bottom _____ T.D. 3510

Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS | CASING RECORD

Formation	Content	From	To	Size	Put In	Pulled out
arbuckle	oil & water	3500	3510	8 5/8	189	none
				5 1/2	3502	none

Describe in detail the manner in which the well was plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plug were used, state the character of same and depth placed, from _____ feet to _____ feet. ran tubing to 2880', pumped 20 sx jel, followed by 30sx cement w/300# hulls pull to 1800' & circulated 120sx to surface. pull buing and pump 20sx to 500 # backside full of cement

Name of Plugging Contractor Allied Cementing Co Inc License No. _____

Address PO Box 31, Russell, KS 67665

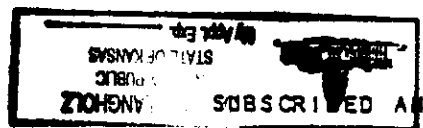
NAME OF PARTY RESPONSIBLE FOR PLUGGING FEES: Bowman Oil Company

STATE OF Kansas COUNTY OF Rooks, ss.

Louis D Bowman for Bowman Oil Company (Employee of Operator) or (Operator) of above-described well, being first duly sworn on oath, says: That I have knowledge of the facts stated, and matters herein contained and the log of the above-described well as filed and the same are true and correct, so help me God.

(Signature) Louis D. Bowman

(Address) 805 Codell Rd, Codell, KS 67663



SUBSCRIBED AND SWORN TO before me this 11th day of July, 2002

Jack J. Langholz
Notary Public

My Commission Expires: 2-24-2005

USE ONLY ONE SIDE OF EACH FORM

PK