

**Permit Extension
Request Received 11-29-06**

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

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION**

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 25, 2006
 month day year

Spot _____ East
 NE NE NW Sec. 12 Twp. 27 S. R. 33 West
330 feet from N / S Line of Section
1980 feet from E / W Line of Section

OPERATOR: License# 32309
 Name: Presco Western, LLC
 Address: 5480 Valmont, Ste. 350
 City/State/Zip: Boulder, CO 80301
 Contact Person: Leonard Wilkowski
 Phone: 303-444-8881

**RECEIVED
KANSAS CORPORATION COMMISSION**

NOV 29 2006

CONTRACTOR: License# 33375
 Name: Cheyenne Drilling LP

**CONSERVATION DIVISION
WICHITA, KS**

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

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

County: Haskell
 Lease Name: Lavelette Well #: 1-C12-27-33
 Field Name: Kisner

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): St Louis

Nearest Lease or unit boundary: 330
 Ground Surface Elevation: 2911.5 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: 580 480
 Depth to bottom of usable water: 570 900

Surface Pipe by Alternate: 1 2
 Length of Surface Pipe Planned to be set: 700' minimum 920' Minimum

Length of Conductor Pipe required: none
 Projected Total Depth: 5850'
 Formation at Total Depth: St. Louis

Water Source for Drilling Operations:
 Well Farm Pond Other _____

DWR Permit #: TO BE ASSIGNED xxxxxxxxxxxxxx
 (Note: Apply for Permit with DWR)

Will Cores be taken? Yes No
 If Yes, proposed zone: _____

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 #: _____

Prorated, Spaced Hugoton & Panoma

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.
 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 #155,891-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: 6/27/2006 Signature of Operator or Agent: [Signature] Title: Regulatory Specialist

For KCC Use ONLY
 API # 15 - 081-21669-0000
 Conductor pipe required None feet
 Minimum surface pipe required 920 feet per Alt. 1
 Approved by: RW 6-29-06 / RW 11-29-06
 This authorization expires: 12-29-06 6-29-07
 (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 ACD-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: _____

**RECEIVED
KANSAS CORPORATION COMMISSION
JUN 29 2006
CONSERVATION DIVISION
WICHITA, KS**

12 27 33W