

Permit Extension
request Received 11-29-06

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KANSAS CORPORATION COMMISSION

JUN 02 2006

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

CORRECTED
1-22-07

For KCC Use:
Effective Date: 6-7-06
District # 1
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

CONSERVATION DIVISION
WICHITA, KS

Expected Spud Date June 8, 2006
month day year

Spot SW NE SE Sec. 27 Twp. 26 S. R. 32 East West
* 1700-1923 feet from N / S Line of Section
* 000-959 feet from E / W Line of Section
SECTION Regular Irregular?

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

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NOV 29 2006

(Note: Locate well on the Section Plat on reverse side)
County: Finney
Lease Name: JLM Farms Well #: 4-127-26-32
Field Name: Unnamed
Is this a Prorated / Spaced Field? Yes No
Target Formation(s): St Louis

* CONTRACTOR: License# 50000
Name: CHEYENNE DRILLING, LP

CONSERVATION DIVISION
WICHITA, KS

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

* Nearest Lease or unit boundary: 000-959
Ground Surface Elevation: 2869.9 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: 540'
Depth to bottom of usable water: 550' 860'
Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 700' minimum 880' min.
Length of Conductor Pipe required: none
Projected Total Depth: 5400'
Formation at Total Depth: St Louis
Water Source for Drilling Operations: Well Farm Pond Other Trucked In
DWR Permit #: _____

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 #: _____

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

Prorated, Spaced Hugoton & Panoma
* WAS: Contractor 30604 Martin Drilling Co. IS: 33375 Cheyenne Drilling LP
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 #133,881-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.

* WAS: 1780' FSL, 998' FEL, NLUB: 998'
IS: 1923' FSL, 959' FEL, NLUB: 959'

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.
Date: 6/1/2006 Signature of Operator or Agent: _____ Title: Regulatory Specialist

For KCC Use ONLY
API # 15 - 055-21916-0000
Conductor pipe required None feet
Minimum surface pipe required 880 feet per Alt. 1
Approved by: Paul G-2-00 / Paul H-29-06 / Paul H-22-07
This authorization expires: 12-06-6-2-07
(This authorization void if drilling not started within 6 months of approval date.)
Spud date: _____ Agent: _____

Remember to:
- File Drill Pit Application (form GDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field prorated 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: _____

27
26
32W

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

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JAN 22 2007
CONSERVATION DIVISION
WICHITA, KS

JUN 02 2006

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

CONSERVATION DIVISION
WICHITA, KS

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.

CORRECTED

API No. 15 - 055-21916-0000
Operator: Presco Western, LLC
Lease: JLM Farms
Well Number: 4-127-26-32
Field: Unnamed

Location of Well: County: Finney
1780' 1923' feet from N / S Line of Section
998' 959' feet from E / W Line of Section
Sec. 27 Twp. 26 S. R. 32 East West

Number of Acres attributable to well: 160
QTR / QTR / QTR of acreage: SW - NE - SE

Is Section: Regular or Irregular

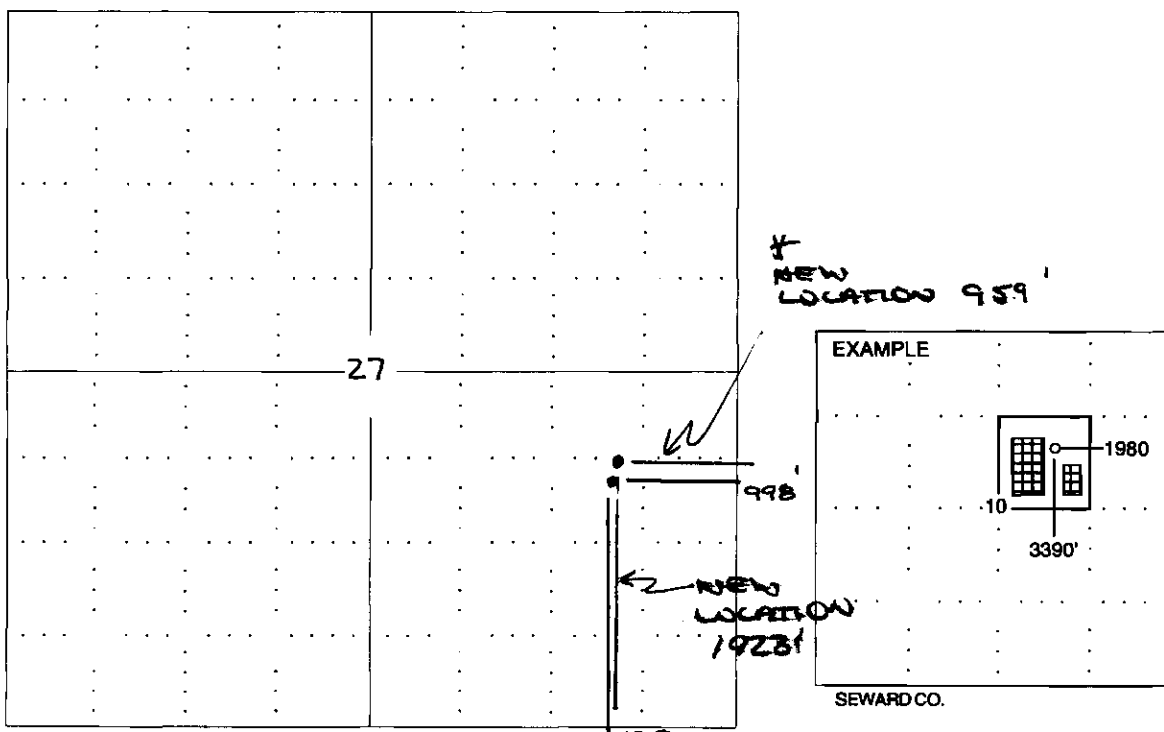
If Section is Irregular, locate well from nearest corner boundary.

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 location.

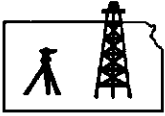
In plotting the proposed location of the well, you must show:

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 (CG-8 for gas wells; CG-9 for oil wells).

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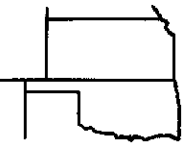
CONSERVATION DIVISION
WICHITA, KS



ROBINSON SERVICES
Oil Field & Construction Staking
P.O. Box 2324
Garden City, Kansas 67846
Office/Fax: (620) 276-6159
Cell: (620) 272-1499

JAN 22 2007

CONSERVATION DIVISION
WICHITA, KS
6580
INVOICE NO.



k011707-w
PLAT NO.

Presco Western LLC

OPERATOR

Finney County, KS

COUNTY

27 26s 32w
Sec. Twp. Rng.

JLM # 4-1 27-26-32 (2nd restake)

LEASE NAME

1923' FSL - 959' FEL

LOCATION SPOT

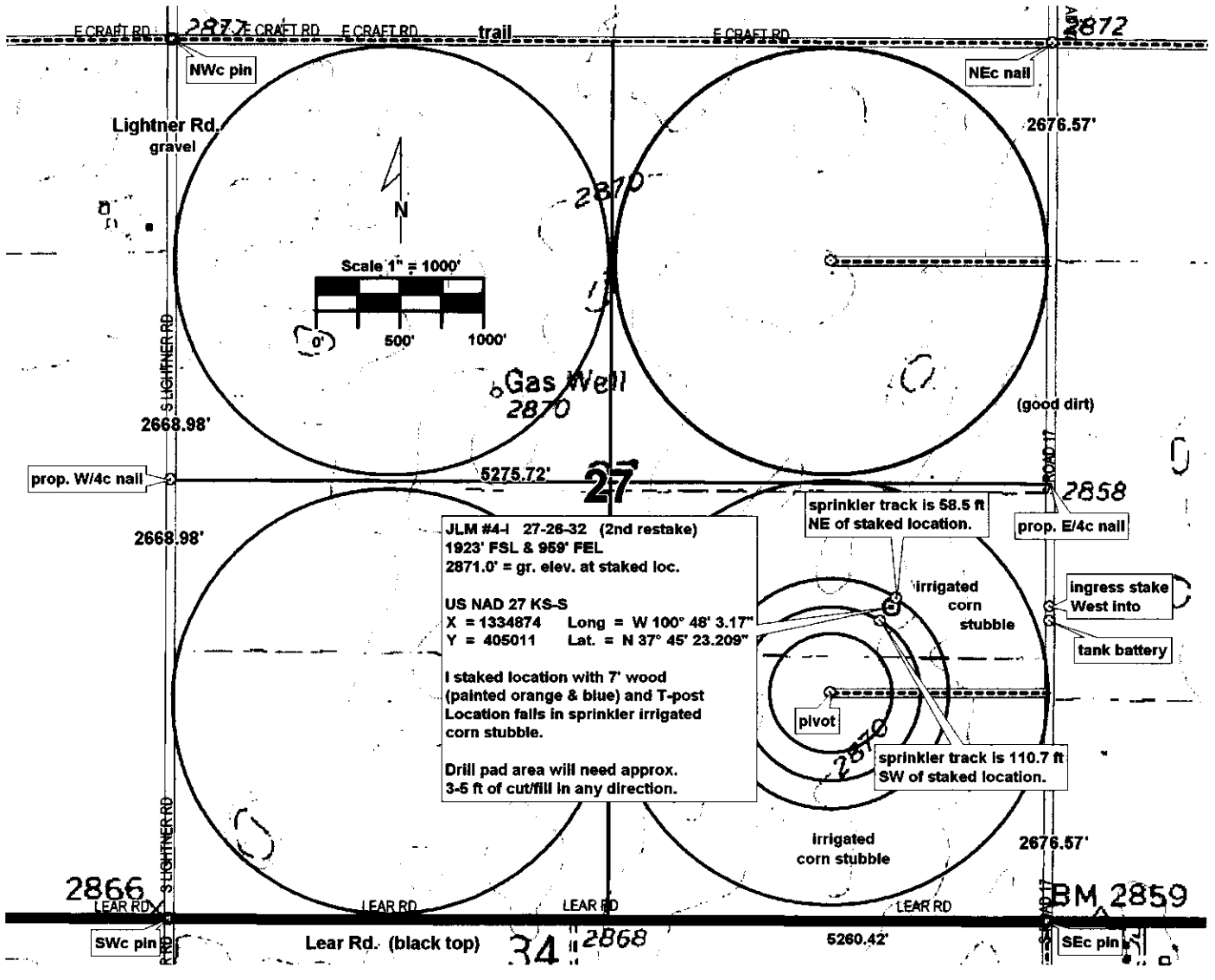
SCALE: 1" = 1000'
DATE: Jan. 17th 2007
MEASURED BY: Burt West
DRAWN BY: Gabe Q.
AUTHORIZED BY: Janice



GR. ELEVATION: 2871.0' D.F.: _____

Directions: From the SE corner of Garden City, Ks at the junction of Hwy 50 & Hwy 83 South at the overpass bridge - Now go South 15 miles on Hwy 83 - Now go East 4 miles on Lear Rd. (black-top) to the SE corner of section 27-26s-32w - Now go North 0.4 mile to ingress stake - Now go West approx. 1000 ft through sprinkler irrigated corn stubble into staked location.
Final ingress must be verified with land owner or Presco Western LLC.

*This drawing does not constitute a monumented survey or a land survey plat
This drawing is for construction purposes only*



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


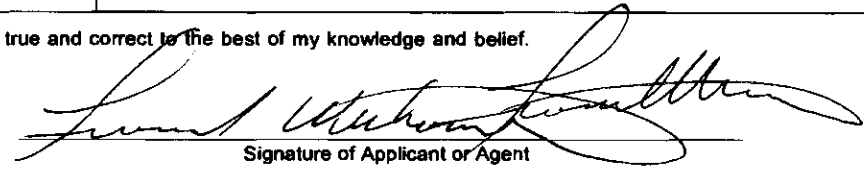
JUN 02 2006

Form CDP-1
April 2004
CONSERVATION DIVISION Form must be Typed
WICHITA, KS

Submit in Duplicate

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JAN 22 2007

Operator Name: Presco Western, LLC		License Number: 32309	
Operator Address: 5480 Valmont, Ste. 350 Boulder, CO 80301			
Contact Person: Leonard Witkowski		Phone Number: (303) 444 - 8881	
Lease Name & Well No.: JLM Farms 4-127-26-32		Pit Location (QQQQ): SW . NE . SE .	
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 (If WP Supply API No. or Year Drilled)		Pit Is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 5000 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l (For Emergency Pits and Settling Pits only)	
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? Natural mud seal			
Pit dimensions (all but working pits): 125 Length (feet) 125 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 561 feet Depth of water well 500 feet		Depth to shallowest fresh water 205 feet. Source of information: KM KW  _____ 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: Natural mud Number of working pits to be utilized: One (1) Abandonment procedure: Air evaporation 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.			
6/1/2006 Date		 Signature of Applicant or Agent	
KCC OFFICE USE ONLY			
Date Received: 6/2/06 Permit Number: _____ Permit Date: 6/2/06 Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

CORRECTED

15-055-21916-0200