

For KCC Use:
Effective Date: 3-25-07
District #: 3
SGA? [ ] Yes [X] 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
Ft. Scott

NOTICE OF INTENT TO DRILL

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

Expected Spud Date: 4/2/07
month day year

OPERATOR: License# 33397
Name: Running Foxes Petroleum, Inc.
Address: 14550 E. Easter Avenue, Suite 1000
City/State/Zip: Centennial, CO 80112
Contact Person: Steven Tedesco
Phone: 303.227.7016

CONTRACTOR: License# 5786
Name: McGown Drilling

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

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

Spot: NW SE SE Sec. 36 Twp. 24S S. R. 23
1303 feet from N / [X] S Line of Section
1264 feet from [X] E / [ ] W Line of Section
Is SECTION [X] Regular [ ] Irregular?

(Note: Locate well on the Section Plat on reverse side)
County: Bourbon
Lease Name: Vogel Well #: 16-36-ER
Field Name: Wildcat
Is this a Prorated / Spaced Field? [ ] Yes [X] No
Target Formation(s): Riverton
Nearest Lease or unit boundary: 1264 FEL
Ground Surface Elevation: 851 feet MSL
Water well within one-quarter mile: [ ] Yes [X] No
Public water supply well within one mile: [ ] Yes [X] No
Depth to bottom of fresh water: 100
Depth to bottom of usable water: 200
Surface Pipe by Alternate: [ ] 1 [X] 2
Length of Surface Pipe Planned to be set: 20'
Length of Conductor Pipe required: None
Projected Total Depth: 750'
Formation at Total Depth: Mississippian
Water Source for Drilling Operations: [ ] Well [X] Farm Pond [ ] Other
DWR Permit #:
(Note: Apply for Permit with DWR [ ])
Will Cores be taken? [ ] Yes [X] No
If Yes, proposed zone:

AFFIDAVIT

RECEIVED

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

MAR 20 2007

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: 3/19/07 Signature of Operator or Agent: Carol A. Sears Title: Land Administrator

For KCC Use ONLY
API # 15 - 011-23242-0000
Conductor pipe required None feet
Minimum surface pipe required 20 feet per Alt. X 2
Approved by: 3-20-07
This authorization expires: 9-20-07
(This authorization void if drilling not started within 6 months of effective 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 prorations 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:

36 24 23E

**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 - 011-23242-0000  
 Operator: Running Foxes Petroleum, Inc.  
 Lease: Vogel  
 Well Number: 16-36-ER  
 Field: Wildcat  
 Number of Acres attributable to well: 10  
 QTR / QTR / QTR of acreage: NW - SE - SE

Location of Well: County: Bourbon  
 1303 feet from  N /  S Line of Section  
 1264 feet from  E /  W Line of Section  
 Sec. 36 Twp. 24S S. R. 23  East  West

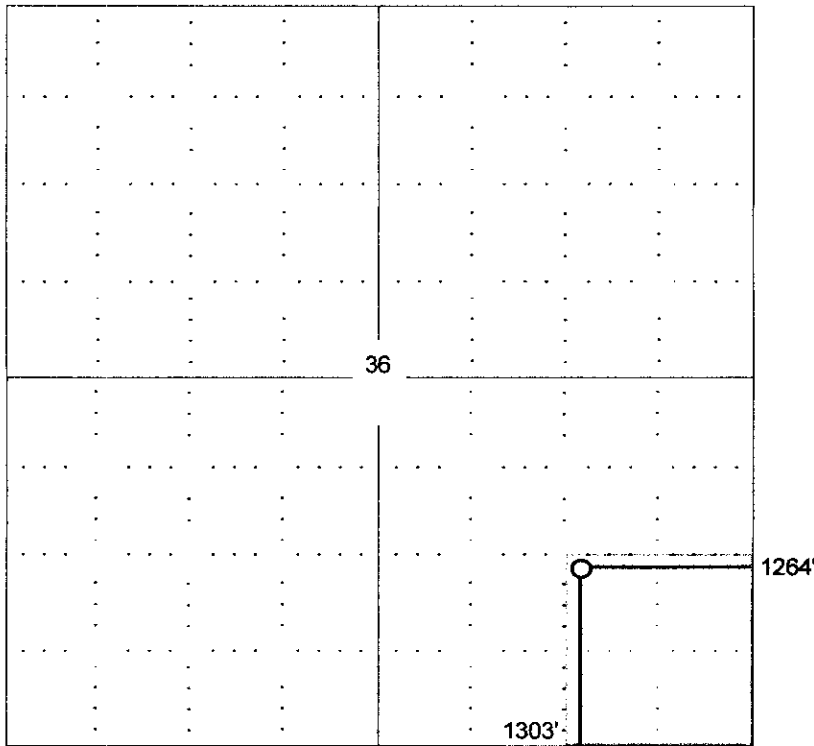
Is Section:  Regular or  Irregular

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

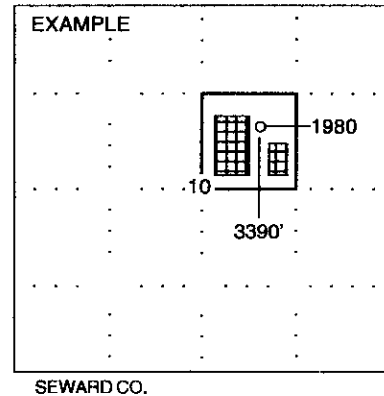
Section corner used:  NE  NW  SE  SW

**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.)*



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**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: (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: <b>Running Foxes Petroleum Inc.</b>		License Number: <b>33397</b>
Operator Address: <b>7060-B So. Tucson Way, Centennial, CO 80112</b>		
Contact Person: <b>Carol Sears</b>		Phone Number: ( <b>303</b> ) <b>327 - 7016</b>
Lease Name & Well No.: <b>Vogel 16-36 ER</b>		Pit Location (QQQQ): <b>    NW    SE    SE</b>
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>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: <b>150</b> (bbls)	Sec. <b>36</b> Twp. <b>24S</b> R. <b>23</b> <input checked="" type="checkbox"/> East <input type="checkbox"/> West <b>1303</b> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <b>1264</b> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <b>Bourbon</b> 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 type="checkbox"/> Yes <input checked="" 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): <b>30</b> Length (feet) <b>10</b> Width (feet) <b>N/A</b> N/A: Steel Pits Depth from ground level to deepest point: <b>8</b> (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.
		<b>RECEIVED</b> <b>KANSAS CORPORATION COMMISSION</b> <b>MAR 20 2007</b> <b>CONSERVATION DIVISION</b> <b>WICHITA, KS</b>
Distance to nearest water well within one-mile of pit <b>N/A</b> feet    Depth of water well _____ feet	Depth to shallowest fresh water <b>N/A</b> feet. Source of information: _____ measured    _____ well owner    _____ electric log    _____ KDWR	
<b>Emergency, Settling and Burn Pits ONLY:</b> 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	<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: <b>Fresh water &amp; Native Mud</b> Number of working pits to be utilized: <b>2</b> Abandonment procedure: <b>Air dry and backfill</b> 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.		
_____ 3/19/07 Date	_____ <i>Carol Sears</i> Signature of Applicant or Agent	

15-01-23242-0220

KCC OFFICE USE ONLY			
Date Received: <b>3/20/07</b>	Permit Number: _____	Permit Date: <b>3/20/07</b>	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

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

# KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

BRIAN J. MOLINE, CHAIR

ROBERT E. KREHBIEL, COMMISSIONER

MICHAEL C. MOFFET, COMMISSIONER

## NOTICE TO OPERATORS FILING INTENT TO DRILL FOR DISPOSAL OR ENHANCED RECOVERY INJECTION WELLS, (CLASS II INJECTION WELL)

The attached approved Notice of Intent to Drill indicates the proposed well is to be used for injection. An approved "Intent to Drill" does not approve injection authority as a Class II Injection Well in Kansas.

Before any well is used for injection purposes, the operator must file an application for injection authority in accordance with K.A.R. 82-3-401 and provide notice in accordance with K.A.R. 82-3-402. The Conservation Division must issue a written permit granting the application before commencement of injection.

The Conservation Division requirements and restrictions associated with Class II Injection are identified in **K.A.R. 82-3-400 et seq** of our regulations. Associated regulations governing drilling, completion and injection applications may be found in K.A.R. 82-3-135, Table I, Table II, in the Cedar Hills Sandstone Moratorium, (Docket #156,397-C), and the Eastern Kansas Surface Casing Order, (Docket #133,891-C).

If you have questions regarding the approval of injection authority, an injection application may be filed as a "Design Approval" before actual drilling and completion of the well occurs. If you have any questions or concerns regarding Class II injection wells or regulations, call the Underground Injection Control Department at 316-337-6200.

Failure to obtain commission approval before beginning injection is punishable by a penalty, shut-in of the well or both.