

Permit Extension



For KCC Use:

Request Received 8-30-07

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

1008248

Form C-1

November 2005

Form must be Typed

Form must be Signed

All blanks must be Filled

Effective Date: 3/18/07

District # 1

SGA?  Yes  No

NOTICE OF INTENT TO DRILL

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

Expected Spud Date: 04/11/2007  
month day year

OPERATOR: License# 32309  
Name: Presco Western LLC  
Address 1: 5665 Flatiron Parkway  
Address 2:  
City: Boulder State: CO Zip: 80301 +  
Contact Person: Leonard Witkowski  
Phone: 303-444-8881

CONTRACTOR: License# 33784  
Name: Trinidad Drilling Limited Partnership

Well Drilled For:  Oil  Gas  Seismic; # of Holes  Other: Producing Well for SW Lemon Victory Waterflood  
Well Class:  Enh Rec  Storage  Disposal  Other  
Type Equipment:  Infield  Pool Ext.  Wildcat  Other  
 Mud Rotary  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  No  
If Yes, true vertical depth:  
Bottom Hole Location:  
KCC DKT #:

PRORATED & SPACED: HUGOTON & PANOMA

Spot Description: SE - NW - SW - NW Sec. 30 Twp. 30 S. R. 33  E  W  
1,781 feet from  N /  S Line of Section  
337 feet from  E /  W Line of Section

Is SECTION:  Regular  Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Haskell  
Lease Name: SWLVLU Well #: P18  
Field Name: VICTORY

Is this a Prorated / Spaced Field?  Yes  No

Target Formation(s): Lansing A

Nearest Lease or unit boundary line (in footage): 337

Ground Surface Elevation: 2952 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: 560

Depth to bottom of usable water: 640

Surface Pipe by Alternate:  I  II

Length of Surface Pipe Planned to be set: 1700

Length of Conductor Pipe (if any): 0

Projected Total Depth: 4400

Formation at Total Depth: Lansing

Water Source for Drilling Operations:  Well  Farm Pond  Other: Piped in from farmer

DWR Permit #: (Note: Apply for Permit with DWR )

Will Cores be taken?  Yes  No

If Yes, proposed zone:

AFFIDAVIT

RECEIVED  
KANSAS CORPORATION COMMISSION

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.

MAR 12 2007

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 #133,891-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.

CONSERVATION DIVISION  
WICHITA, KS

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 3/8/07 Signature of Operator or Agent: [Signature] Title: REG. SPECIALIST

For KCC Use ONLY  
API # 15 - 081-21737-0000  
Conductor pipe required 0 feet  
Minimum surface pipe required 660 feet per ALT.  I  II  
Approved by: RW 3-12-07 / RW 8-30-07  
This authorization expires: 9-12-07 3-12-08  
(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 (within 60 days);
- 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 Date: Signature of Operator or Agent:

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

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