

For KCC Use: 11-5-07
 Effective Date: _____
 District # 1
 SGA? Yes No

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

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 November 26, 2007
 month day year

OPERATOR: License# 32825
 Name: Pioneer Exploration, Ltd.
 Address: 15603 Kuykendahl, Suite 200
 City/State/Zip: Houston, TX 77090-3655
 Contact Person: John Houghton
 Phone: (281) 893-9400, ext. 256

CONTRACTOR: License# Must be licensed by KCC
 Name: Will advise on ACO-1

Well Drilled For:		Well Class:	Type Equipment:
<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield	<input checked="" type="checkbox"/> Mud Rotary
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> OWWO	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat	<input type="checkbox"/> Cable
<input type="checkbox"/> Seismic; _____ # of Holes	<input type="checkbox"/> Other		
<input type="checkbox"/> Other			

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 #: _____

Spot East
 NE NE NW Sec. 20 Twp. 22 S. R. 33 West
330 feet from N / S Line of Section
2970 feet from E / W Line of Section
 Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
 County: Finney
 Lease Name: Garden City Well #: 2-20
 Field Name: Damme

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Marmaton, Morrow, and Mississippi
 Nearest Lease or unit boundary: 330'

Ground Surface Elevation: 2906 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: 220'
 Depth to bottom of usable water: 1100'

Surface Pipe by Alternate: 1 2
 Length of Surface Pipe Planned to be set: 400'
 Length of Conductor Pipe required: None
 Projected Total Depth: 4950'
 Formation at Total Depth: Mississippian

Water Source for Drilling Operations:
 Well Farm Pond Other Hauled
 DWR Permit #: _____

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

PRORATED & SPACED: HUGOTON

AFFIDAVIT

RECEIVED

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-1101. It is agreed that the following minimum requirements will be met:

OCT 31 2007

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 #133,591-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: 10/29/07 Signature of Operator or Agent: _____ Title: Production Engineer

For KCC Use ONLY
 API # 15 - 055-21957-0000
 Conductor pipe required None feet
 Minimum surface pipe required 240 feet per Alt. **VO 2**
 Approved by: 10-31-07
 This authorization expires: 10-31-08
 (This authorization void if drilling not started within _____ 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 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: _____

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

20 22 33W

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 - 055-21957-0000
 Operator: Pioneer Exploration, Ltd.
 Lease: Garden City
 Well Number: 2-20
 Field: Damme
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: NE - NE - NW

Location of Well: County: Finney
 _____ feet from N / S Line of Section
330
 _____ feet from E / W Line of Section
2970
 Sec. 20 Twp. 22 S. R. 33 East West

Is Section: Regular or Irregular

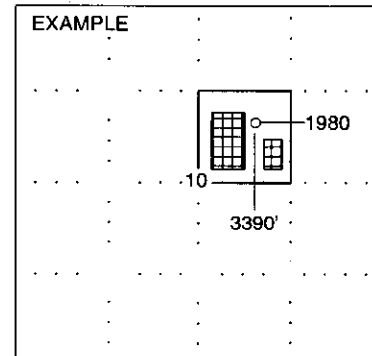
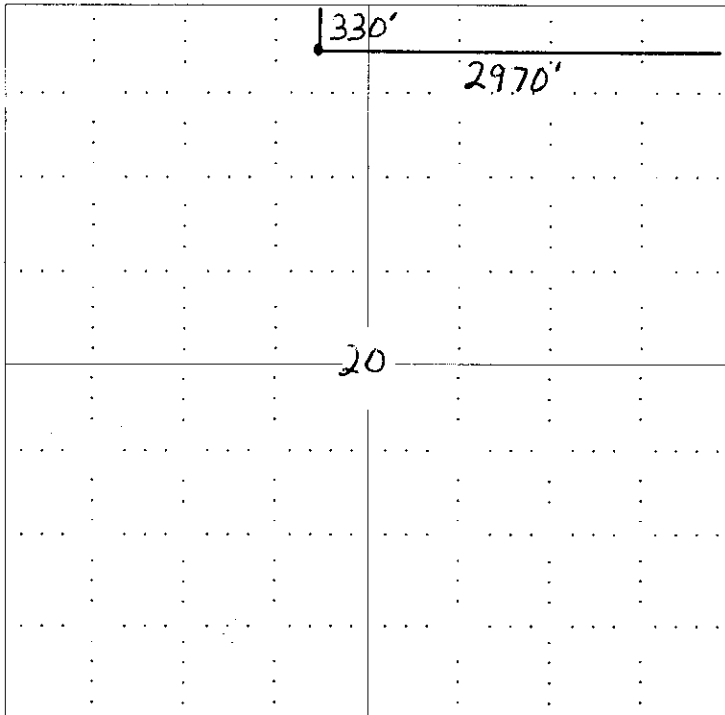
If Section is Irregular, locate well from nearest corner boundary.

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.)



SEWARD CO.

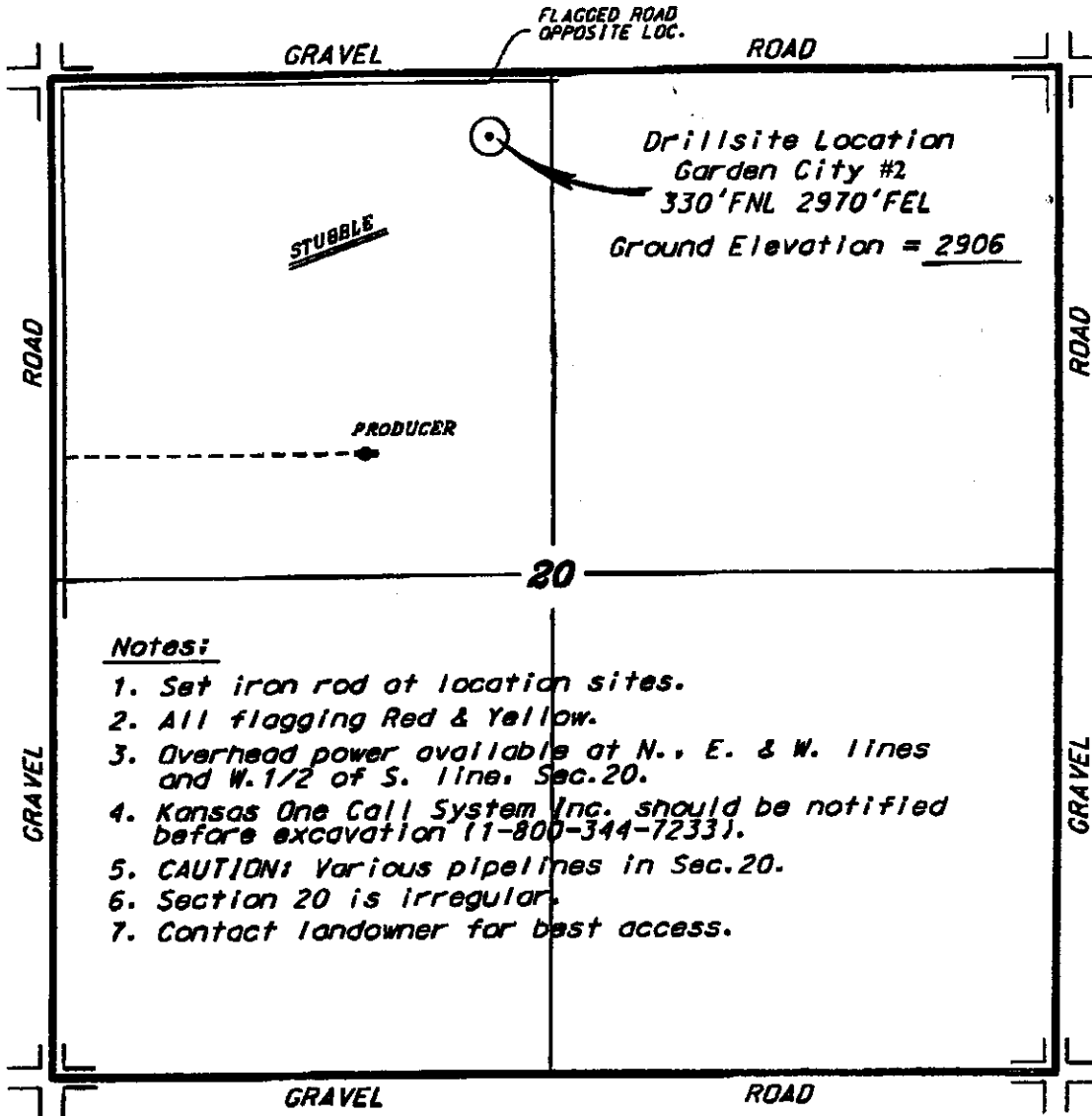
NOTE: In all cases locate the spot of the proposed drilling locaton.

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).

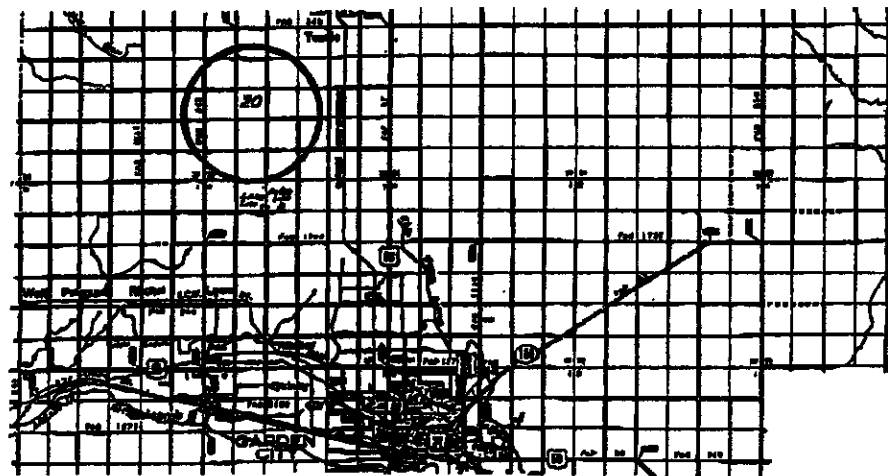
PIONEER EXPLORATION COMPANY
GARDEN CITY LEASE
NW. 1/4. SECTION 20, T22S, R33W
FINNEY COUNTY, KANSAS

15055-21957-0000

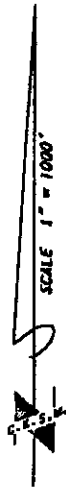


Notes:

1. Set iron rod at location sites.
2. All flagging Red & Yellow.
3. Overhead power available at N., E. & W. lines and W. 1/2 of S. line, Sec. 20.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION: Various pipelines in Sec. 20.
6. Section 20 is irregular.
7. Contact landowner for best access.



ingress and egress to location as shown on this
 plot is per usage only and may not be legally
 earned for public use. Contact landowner,
 tenant and county road department for access.



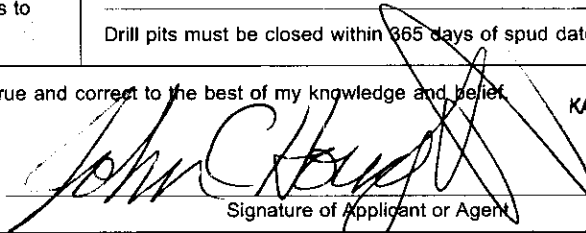
* Controlling data is based upon the best maps and photographs available to us and under a regular section of land containing 640 acres.

* Approximate section lines were determined using the natural standard of care of oilfield surveyors operating in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the drillic site location in the section is not guaranteed. Therefore, the operator seeking this service and occupying this site and all other parties relying thereon agree to hold Central Kansas Drillicol Services, Inc., its officers and employees harmless from all claims, suits and damages and hold drillicol released from any liability.

**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: Pioneer Exploration, Ltd.		License Number: 32825
Operator Address: 15603 Kuykendahl Suite 200, Houston, Texas 77090-3655		
Contact Person: John Houghton		Phone Number: (281) 893 - 9400 , ext. 256
Lease Name & Well No.: Garden City #2-20		Pit Location (QQQQ): C NE NE NW Sec. 20 Twp. 22S R. 33 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 330 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 2970 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Finney County
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: _____ (bbls)	
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? Bentonite Lined
Pit dimensions (all but working pits): <u>100</u> Length (feet) <u>100</u> Width (feet) <u>N/A: Steel Pits</u> Depth from ground level to deepest point: <u>4</u> (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 <u>1325</u> feet Depth of water well <u>535</u> feet		Depth to shallowest fresh water <u>140</u> 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: <u>Waterbased</u> Number of working pits to be utilized: <u>3</u> Abandonment procedure: <u>Dry and Backfill</u> 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.		RECEIVED KANSAS CORPORATION COMMISSION OCT 31 2007 CONSERVATION DIVISION WICHITA, KS
<u>10/26/07</u> Date	 Signature of Applicant or Agent	
KCC OFFICE USE ONLY		
Date Received: <u>10/31/07</u>	Permit Number: _____	Permit Date: <u>10/31/07</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

15-055-2195 70000