

For KCC Use:
 Effective Date: 12-21-07
 District #: 2
 SGA? Yes No

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

Form C-1

October 2007

Form must be Typed
 Form must be Signed
 All blanks must be Filled

Must be approved by District Office 60 days prior to commencing well

Expected Spud Date: December 30 2007
 month day year

Spot Description:

SW NE SW Sec. 27 Twp. 16 S. R. 10 E W
 1,680 feet from N / S Line of Section
 1,580 feet from E / W Line of Section

OPERATOR: License# 33186
 Name: L.B. Exploration, Inc.
 Address 1: 1587 N.E. 160th Ave.
 Address 2:
 City: Bushton State: KS Zip: 67427
 Contact Person: Michael Petermann
 Phone: 785-252-8034
 CONTRACTOR: License# 33724
 Name: Warren Drilling, LLC

Is SECTION: Regular Irregular?

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

County: Ellsworth

Lease Name: Zvolanek

Well #: 3

Field Name: Stoltenberg

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Arbuckle

Nearest Lease or unit boundary line (in footage): 1580'

Ground Surface Elevation: 1826

Water well within one-quarter mile: Yes No

Public water supply well within one mile: Yes No

Depth to bottom of fresh water: 120

Depth to bottom of usable water: 280,300

Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: 600

Length of Conductor Pipe (if any): None

Projected Total Depth: 3350

Formation at Total Depth: Arbuckle

Water Source for Drilling Operations: Well Farm Pond Other

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

Will Cores be taken? Yes No

If Yes, proposed zone: _____

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

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 #: _____

AFFIDAVIT

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

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It is agreed that the following minimum requirements will be met:

DEC 21 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 cased or pipe for 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 correct to the best of my knowledge and belief.

Date: 12/21/2007

Signature of Operator or Agent: [Signature]

Title: Agent

For KCC Use ONLY

API # 15 - 053-21213-0000

Conductor pipe required: None feet

Minimum surface pipe required: 320 feet per ALT. I II

Approved by: [Signature] 12-21-07

This authorization expires: 12-21-08
 (This authorization void if drilling not started within 12 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, 136 S. Market - Room 2078, Wichita, Kansas 67202

27 16 10 E W

-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 - 053-21213-0000
Operator: L.B. Exploration, Inc.
Lease: Zvolanek
Well Number: 3
Field: _____

Location of Well: County: Ellsworth
1,680 feet from N / S Line of Section
1,580 feet from E / W Line of Section
Sec. 27 Twp. 16 S. R. 10 E W

Number of Acres attributable to well: _____
QTR/QTR/QTR/QTR of acreage: _____ SW _____ NE _____ SW

is Section: Regular or Irregular

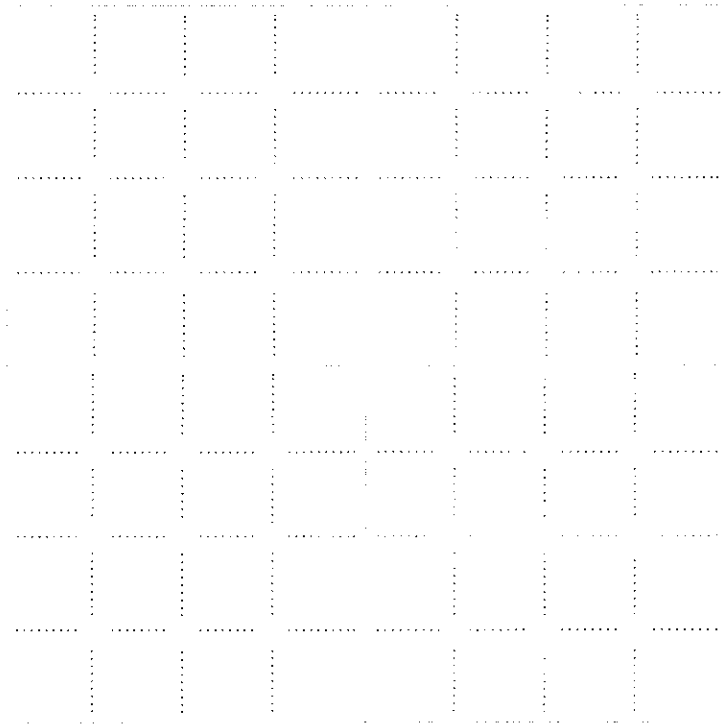
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

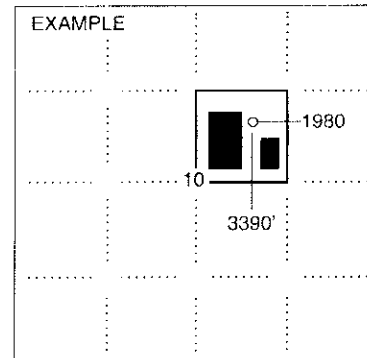
PLAT

(Show location of the well and show attributable acreage for prorated or spaced wells.)

(Show footage to the nearest lease or unit boundary line.)



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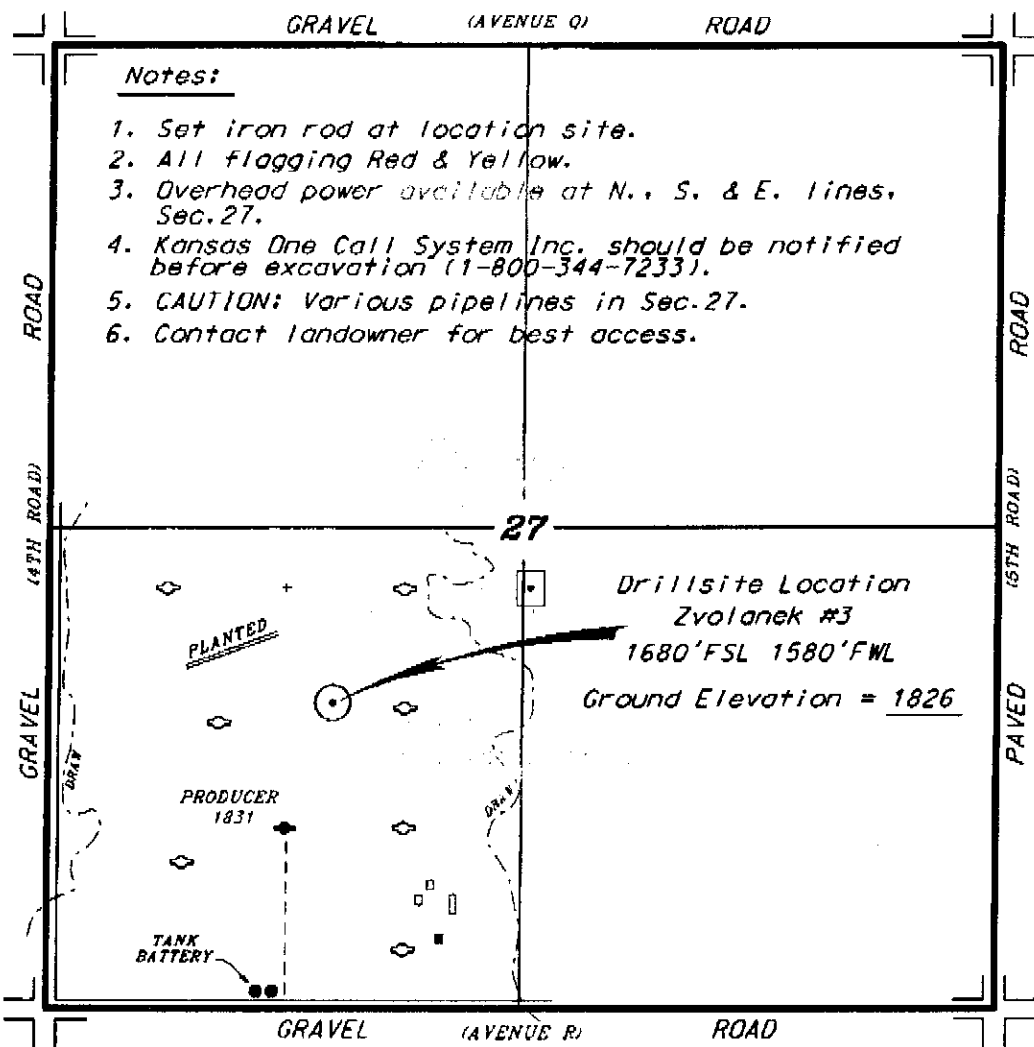
NOTE: In all cases locate the spot of the proposed drilling location.

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 south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
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).

LB EXPLORATION, INC.
ZVOLANEK LEASE
SW.1/4, SECTION 27, T16S, R10W
ELLSWORTH COUNTY, KANSAS

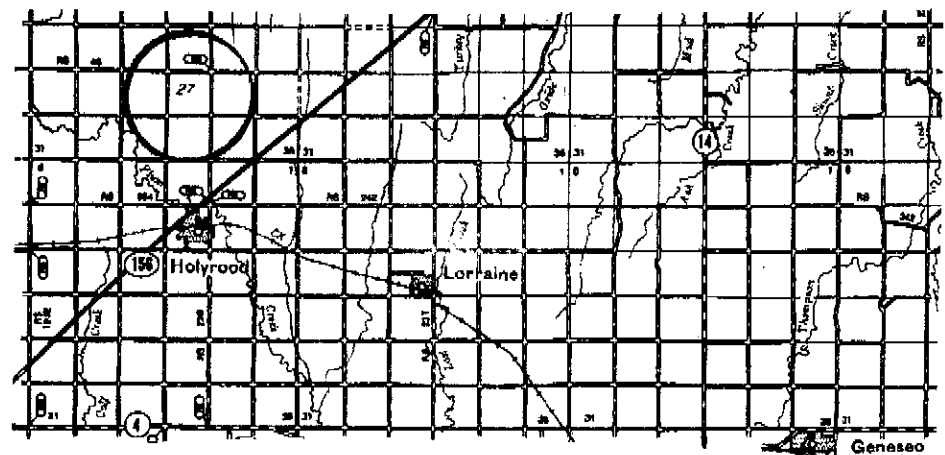
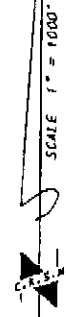
15-053-21213-0000



Notes:

1. Set iron rod at location site.
2. All flagging Red & Yellow.
3. Overhead power available at N., S. & E. lines, Sec.27.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION: Various pipelines in Sec.27.
6. Contact landowner for best access.

*Ingress and egress to location as shown on this plot is per usage only and may not be legally opened 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 upon a regular section of land containing 640 acres.
 Approximate section lines were determined using the normal standard of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise location of the lines, were not necessarily located, and the exact location of the drillsite location in this section is not guaranteed. Therefore, the operator, securing this service and accepting this plot and all other parties relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expenses and said parties released from any liability from incidental or consequential damages.
 Elevations derived from National Geodetic Vertical Datum.

Date December 19, 2007

CENTRAL KANSAS OILFIELD SERVICES, INC. (620)792-1977

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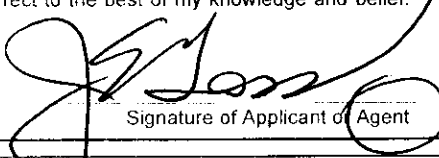
DEC 21 2007

CONSERVATION DIVISION
WICHITA, KS

**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: L.B. Exploration, Inc.		License Number: 33186	
Operator Address: 1587 N.E. 160th Ave.		Bushton KS 67427	
Contact Person: Michael Petermann		Phone Number: 785-252-8034	
Lease Name & Well No.: Zvolanek 3		Pit Location (QQQQ):	
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 <i>(If WP Supply API No. or Year Drilled)</i>		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 4,000 (bbls)	
		SW NE SW Sec. 27 Twp. 16 R. 10 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1,680 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 1,580 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Ellsworth County	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
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? Drilling mud bentonite	
Pit dimensions (all but working pits): 100 Length (feet) 100 Width (feet) <input type="checkbox"/> N/A: Steel Pits		Depth from ground level to deepest point: 5 (feet) <input type="checkbox"/> No Pit	
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 N/A feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> 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: Bentonite Gel Number of working pits to be utilized: 3 Abandonment procedure: Let dry & backfill as condition allow. 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 DEC 21 2007 CONSERVATION DIVISION WICHITA, KS	
12/21/2007 Date		Signature of Applicant or Agent 	
KCC OFFICE USE ONLY			
		Steel Pit <input type="checkbox"/>	RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>
Date Received: 12/21/07	Permit Number: _____	Permit Date: 12/21/07	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

15053 - 21213-0000