



For KCC Use:
 Effective Date: 10/19/2008
 District # 1
 SGA? Yes No

KANSAS CORPORATION COMMISSION 1023226
 OIL & GAS CONSERVATION DIVISION

Form C-1
 October 2007
 Form must be Typed
 Form must be Signed
 All blanks must be Filled

NOTICE OF INTENT TO DRILL

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

Expected Spud Date: 11/10/2008
 month day year

OPERATOR: License# 32309
 Name: Presco Western LLC
 Address 1: 5665 FLATIRON PKWY
 Address 2:
 City: BOULDER State: CO Zip: 80301
 Contact Person: Randy M. Verret
 Phone: 303-305-1163

CONTRACTOR: License# 33793
 Name: H2 Drilling LLC

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

Prorated & Spaced: Hugoton-Panoma

Spot Description:
 SW - SW - NE - SW Sec. 7 Twp. 30 S. R. 38 E W
 (00-00) 1,513 feet from N / S Line of Section
 1,435 feet from E / W Line of Section
 Is SECTION: Regular Irregular?

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

Lease Name: Scharz Foods Well #: 4-K7-30-38
 Field Name: Wildcat

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Morrow/Chester/St.Louis

Nearest Lease or unit boundary line (in footage): 1128

Ground Surface Elevation: 3149 Estimated 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: 400

Depth to bottom of usable water: 580

Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: 1800

Length of Conductor Pipe (if any): 0

Projected Total Depth: 6000

Formation at Total Depth: St. Louis

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

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 #133,891-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.

Submitted Electronically

For KCC Use ONLY
 API # 15 - 15-067-21677-00-00
 Conductor pipe required 0 feet
 Minimum surface pipe required 600 feet per ALT. I II
 Approved by: Rick Hestermann 10/14/2008
 This authorization expires: 10/14/2009
 (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 prorator 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:



1023226

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 - 15-067-21677-00-00
Operator: Presco Western LLC
Lease: Schartz Foods
Well Number: 4-K7-30-38
Field: Wildcat

Location of Well: County: Grant
1,513 feet from N / S Line of Section
1,435 feet from E / W Line of Section
Sec. 7 Twp. 30 S. R. 38 E W

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

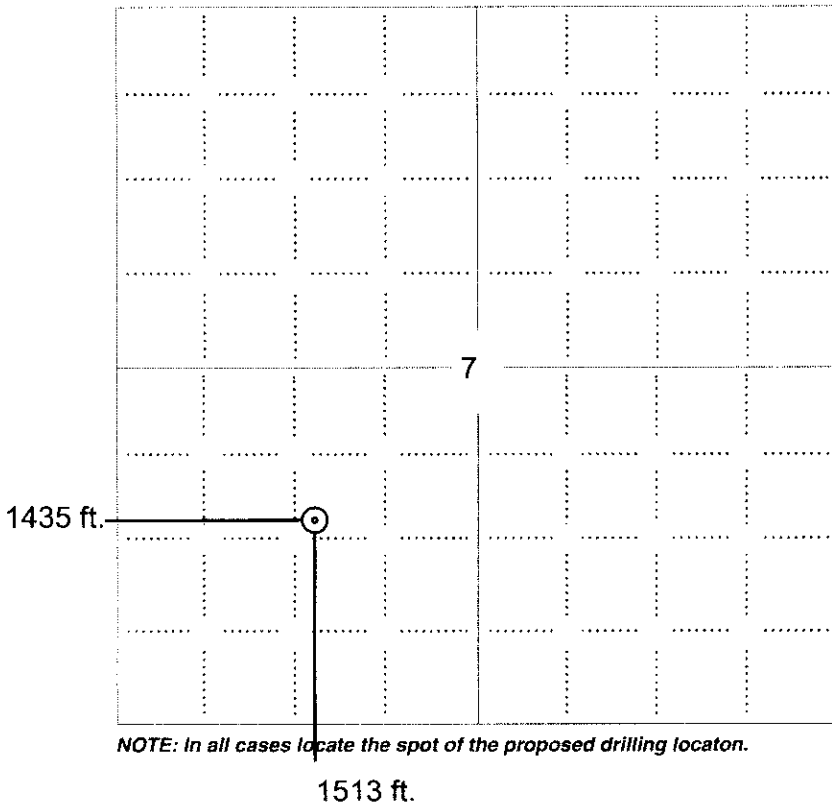
Is Section: Regular or Irregular

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

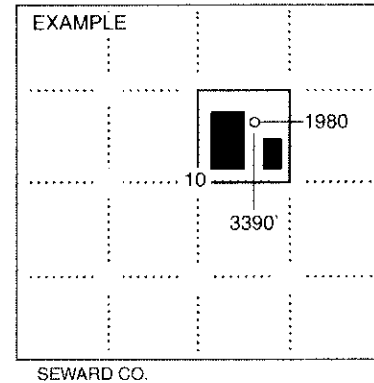
Section corner used: NE NW SE SW

PLAT

*(Show location of the well and 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 locaton.



SEWARD CO.

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).



KANSAS CORPORATION COMMISSION 1023226
OIL & GAS CONSERVATION DIVISION

Form CDP-1
April 2004
Form must be Typed

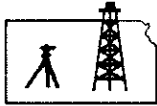
APPLICATION FOR SURFACE PIT

Submit in Duplicate

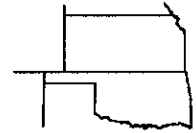
Operator Name: Presco Western LLC		License Number: 32309	
Operator Address: 5665 FLATIRON PKWY		BOULDER CO 80301	
Contact Person: Randy M. Verret		Phone Number: 303-305-1163	
Lease Name & Well No.: Scharz Foods 4-K7-30-38		Pit Location (QQQQ): SW SW NE SW	
Type of Pit: <input type="checkbox"/> Emergency 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: 5,000 (bbls)	
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? Natural Mud			
Pit dimensions (all but working pits): 125 Length (feet) 125 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 4286 feet Depth of water well 530 feet		Depth to shallowest fresh water 220 feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" 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: Native Mud Number of working pits to be utilized: 1 Abandonment procedure: Air Evaporation & Backfill Drill pits must be closed within 365 days of spud date.	
Submitted Electronically			

KCC OFFICE USE ONLY		Steel Pit <input type="checkbox"/>	RFAC <input type="checkbox"/>	RFAS <input type="checkbox"/>
Date Received: 10/13/2008	Permit Number: 15-067-21677-00-00	Permit Date: 10/14/2008	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

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



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



s101008-t
 PLAT NO.

7953
 INVOICE NO.

Presco Western LLC
 OPERATOR
Grant County, KS
 COUNTY

Schartz Foods #4-K7-30-38
 LEASE NAME
1513' FSL - 1435' FWL
 LOCATION SPOT

7 30s 38w
 Sec. Twp. Rng.

SCALE: 1" = 1000'
 DATE STAKED: Oct. 9th, 2008
 MEASURED BY: Tom W.
 DRAWN BY: Gabe Q.
 AUTHORIZED BY: Randy V.



GR. ELEVATION: 3144.6'

Directions: From approx. 1 mile North of Big Bow, Ks at the intersection of Hwy 160 & S Big Bow G Rd South - Now go 9 miles South on S Big Bow G Rd - Now go 2 miles East on E RD 21 to the SW corner of section 7-30s-38w - Now go 0.3 mile North on RD A 13 E to ingress stake East into - Now go 1435' East through fallow ground into staked location.

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

Final ingress must be verified with land owner or Presco Western LLC.

