

For KCC Use:

Effective Date: 11-5-08
District #: 4
SGA? Yes No

KANSAS CORPORATION COMMISSION
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 month 14 day 08 year

OPERATOR: License# 33325
Name: Petroleum Development Corporation
Address 1: 1775 Sherman St, Suite 3000
Address 2:
City: Denver State: CO Zip: 80203
Contact Person: James Annable
Phone: 303-905-4340

CONTRACTOR: License# 33532
Name: Advanced Drilling Technologies

Well Drilled For: Oil Gas Enh Rec Storage Disposal Seismic Other
Well Class: Infield Pool Ext Wildcat Other
Type Equipment: Mud Rotary Air Rotary Cable

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 Description: SE SW SE Sec. 33 Twp. 3 S. R. 42 E W
340 feet from N S Line of Section
1,650 feet from E W Line of Section

Is SECTION: Regular Irregular?

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

County: Cheyenne

Lease Name: Schlepp Well #: 34-33

Field Name: Cherry Creek Niobrara Gas Area

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Niobrara

Nearest Lease or unit boundary line (in footage): 340'

Ground Surface Elevation: 3722' 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: 250'

Depth to bottom of usable water: 250'

Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: 300'

Length of Conductor Pipe (if any): Not Required

Projected Total Depth: 2300'

Formation at Total Depth: Niobrara

Water Source for Drilling Operations: Well Farm Pond Other: x

DWR Permit #: Drilling Contractor will apply

(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.

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

Date: 10/30/2008 Signature of Operator or Agent: Title: Sr. Regulatory Consultant

RECEIVED KANSAS CORPORATION COMMISSION

OCT 31 2008

CONSERVATION DIVISION WICHITA, KS

For KCC Use ONLY
API # 15 - 023-21162-0000
Conductor pipe required None feet
Minimum surface pipe required 300 feet per ALT.
Approved by: 10-31-08
This authorization expires: 10-31-09
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:

33 3 42 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 - 023-21162-0000
 Operator: Petroleum Development Corporation
 Lease: Schlepp
 Well Number: 34-33
 Field: Cherry Creek Niobrara Gas Area
 Number of Acres attributable to well: _____
 QTR/QTR/QTR/QTR of acreage: _____ - SE - SW - SE

Location of Well: County: Cheyenne
 _____ feet from N / S Line of Section
 _____ feet from E / W Line of Section
 Sec. 33 Twp. 3 S. R. 42 E W

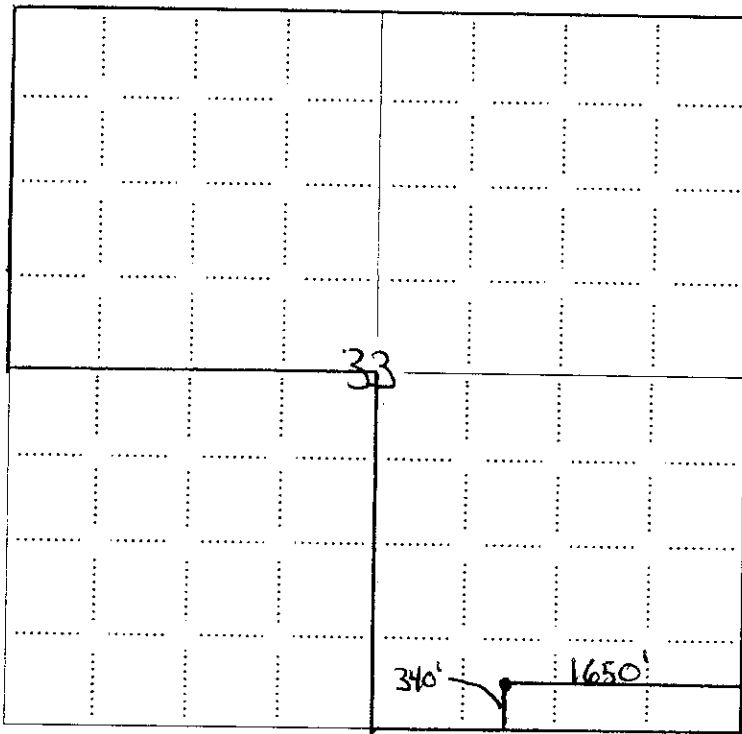
Is Section: Regular or Irregular

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

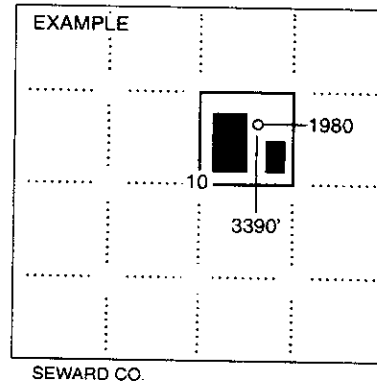
Section corner used: NE NW SE SW

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 location.



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OCT 31 2008

CONSERVATION DIVISION
 WICHITA, KS

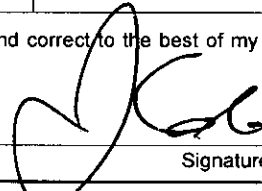
In plotting the proposed location of the well, you must show:

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
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT**

Form CDP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: Petroleum Development Corporation		License Number: 33325	
Operator Address: 1775 Sherman St, Suite 3000		Denver CO 80203	
Contact Person: James Annable		Phone Number: 303-905-4340	
Lease Name & Well No.: Schlepp 34-33		Pit Location (QQQQ): _____ SE _____ SW _____ SE _____ Sec. <u>33</u> Twp. <u>3</u> R. <u>42</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>340</u> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <u>1,650</u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Cheyenne 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 <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: <u>1,200</u> (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 Clay/Bentonite			
Pit dimensions (all but working pits): <u>50</u> Length (feet) <u>30</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>6</u> (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 <u>4180</u> <u>4500</u> feet Depth of water well <u>216</u> feet		Depth to shallowest fresh water <u>177</u> 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: <u>Bentonite mud</u> Number of working pits to be utilized: <u>1</u> Abandonment procedure: <u>Evaporation/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	
10/30/2008 Date			OCT 31 2008 CONSERVATION DIVISION WICHITA, KS
KCC OFFICE USE ONLY			
Date Received: <u>10/31/08</u> Permit Number: _____		Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>	
Permit Date: <u>10/31/08</u>		Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

15-023-21162-000