

For KCC Use:
 Effective Date: 11-15-2009
 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: April 1 2010
month day year

OPERATOR: License# 33325 ✓
 Name: Petroleum Development Corporation
 Address 1: 1775 Sherman Street
 Address 2: _____
 City: Denver State: CO Zip: 80203 + _____
 Contact Person: Tyson Johnston
 Phone: 303-860-5809
 CONTRACTOR: License# 33532 ✓
 Name: Advanced Drilling Technologies

Spot Description: _____
 _____ NE NW NE Sec. 33 Twp. 3 S. R. 42 E W
 (a/a/a/a) 430 feet from N / S Line of Section
1,750 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 #: 31-33
 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): 430

Ground Surface Elevation: 3709 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: _____

Well Drilled For: Oil Gas Seismic; # of Holes _____
 Enh Rec Storage Disposal Other: _____
 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 #: _____

Replaces 15-023-21161-00-00 (Expired)

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: 11/6/2009 Signature of Operator or Agent: _____ Title: Landman

For KCC Use ONLY
 API # 15 - 023-21219-00-00
 Conductor pipe required None feet
 Minimum surface pipe required 300 feet per ALT. I II
 Approved by: [Signature]
 This authorization expires: 11-10-2010
 (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: 11/5/2009
 Signature of Operator or Agent: _____

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33
 3
 42

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 - 023-2110-21219-0000
 Operator: Petroleum Development Corporation
 Lease: Schlepp
 Well Number: 31-33
 Field: Cherry Creek Niobrara Gas Area
 Number of Acres attributable to well: 40
 QTR/QTR/QTR/QTR of acreage: - NE - NW - NE

Location of Well: County: Cheyenne
 430 feet from N / S Line of Section
 1,750 feet from E / W Line of Section
 Sec. 33 Twp. 3 S. R. 42 E W

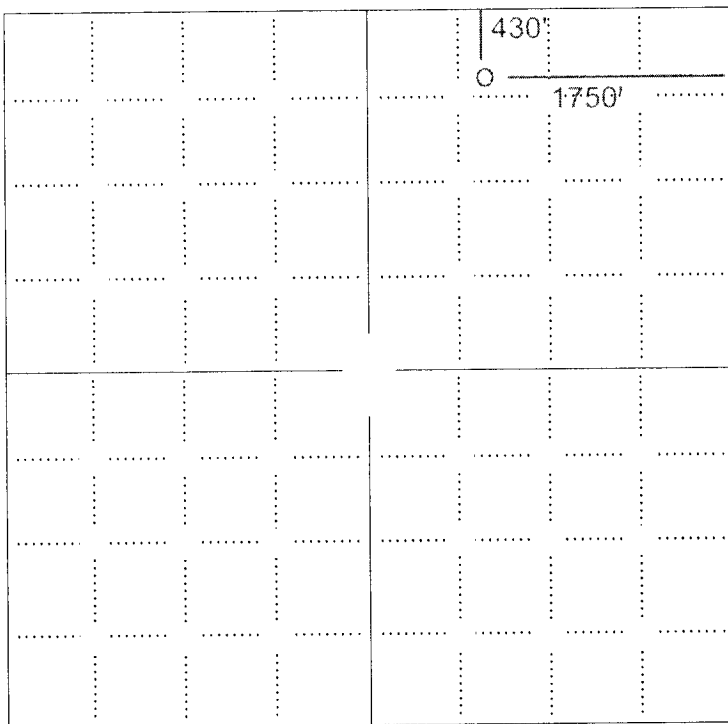
Is Section: Regular or Irregular

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

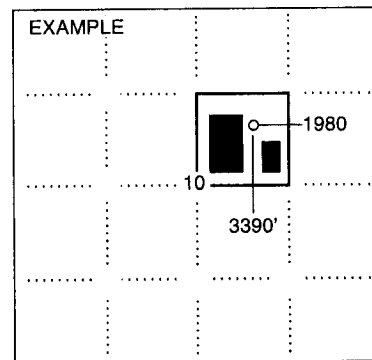
Section corner used: NE NW SE SW

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.)*



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SEWARD CO.

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

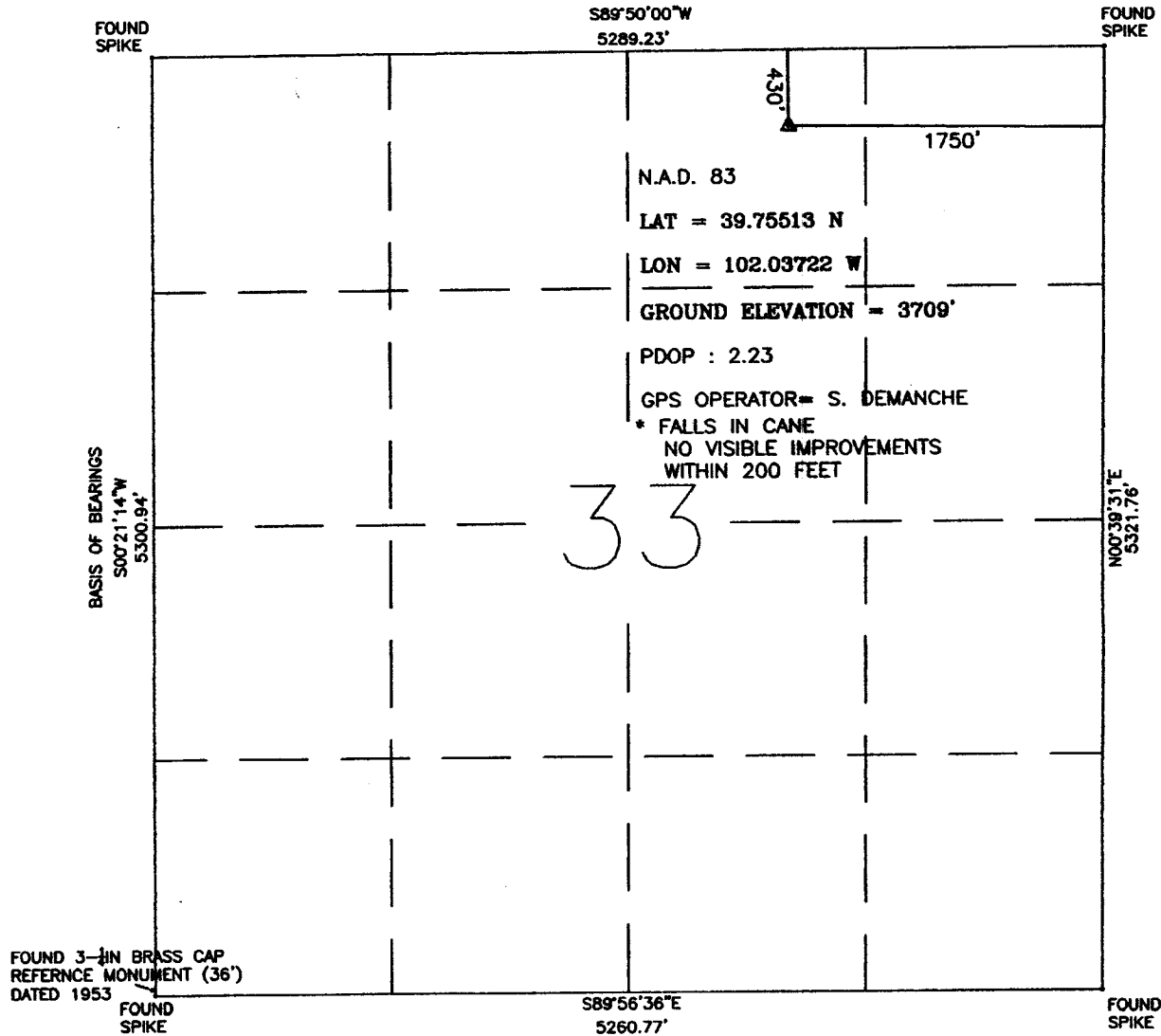
In plotting the proposed location of the well, you must show:

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 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).

15-023-21219-0000

WELL LOCATION CERTIFICATE: SCHLEPP31-33

SECTION 33, TOWNSHIP, 3 SOUTH, RANGE 42 WEST, 6TH P.M.
CHEYENNE COUNTY, KANSAS



33

I HEREBY STATE TO PETROLEUM DEVELOPMENT CORP THAT THIS WELL LOCATION CERTIFICATE INDICATES THE WELL SCHLEPP 31-33 TO BE LOCATED 1940' FSL AND 2150 FWL, SEC33, T4S, R42W, 6TH P.M. CHEYENNE COUNTY, STATE OF KANSAS

BASIS OF BEARINGS AS SHOWN ABOVE

GROUND ELEVATION SHOWN IS APPROXIMATE AND IS BASED ON AN OBSERVED GPS ELEVATION (NAVD 1988 DATUM)

LAT AND LON SHOWN ARE BASED ON AN OBSERVED GPS OBSERVATION (NAD 1983/92) WITH A PDOP VALUE LESS THAN SIX

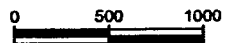
ALL DISTANCES ARE FIELD MEASURED UNLESS OTHERWISE NOTIFIED

DISTANCES TO WELL ARE PERPENDICULAR TO SECTION LINES

FIELD DATE: 10/04/09

DRAWN DATE: 10/11/09

DRAWN BY: KER



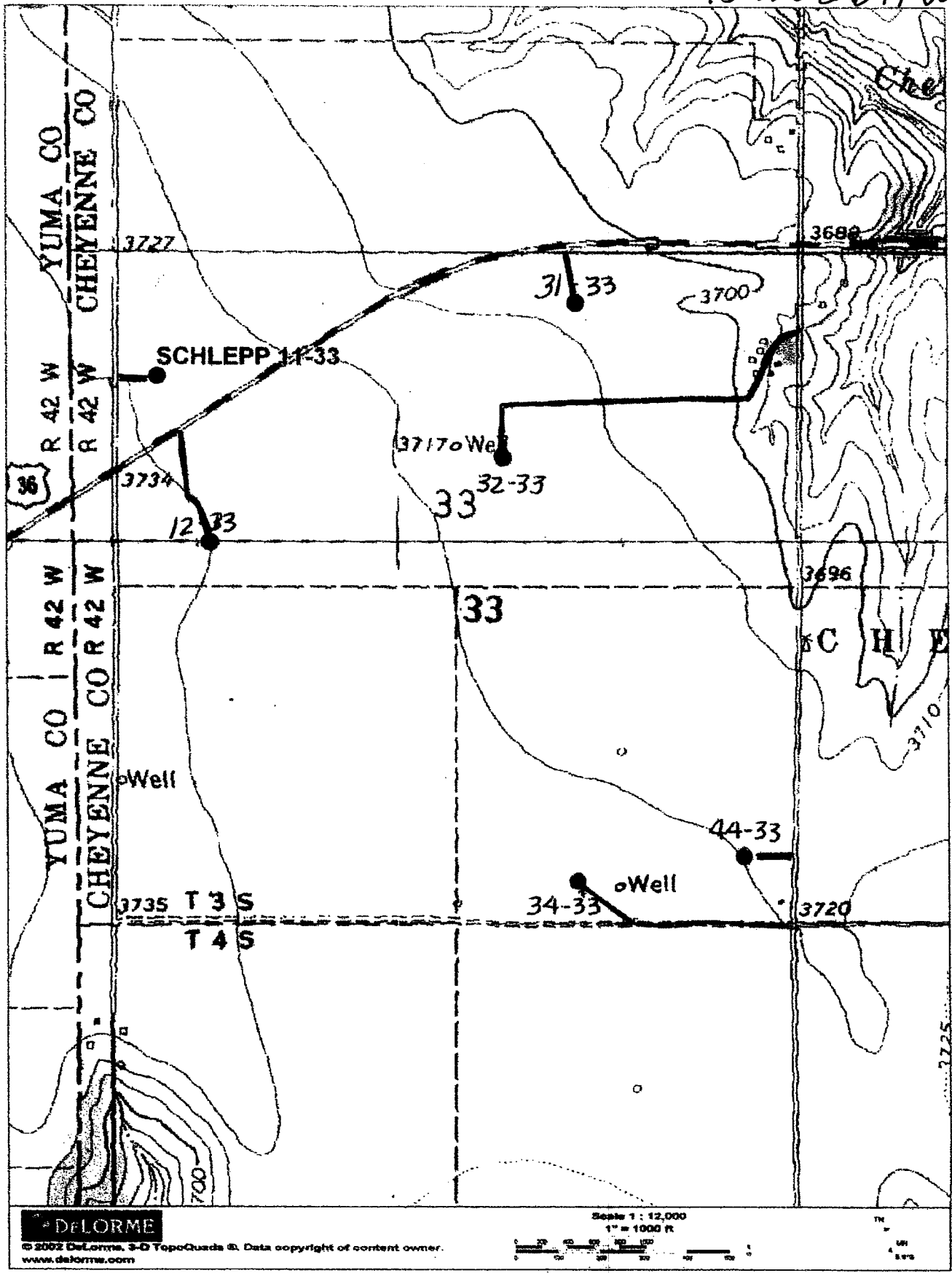
SCALE: 1" = 1000'

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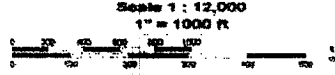
THIS IS NOT A MONUMENTED BOUNDARY SURVEY. IT IS A DRAWING INTENDED TO DEPICT WELL LOCATION IN REFERENCE TO SECTION LINES

15-023-2619-000



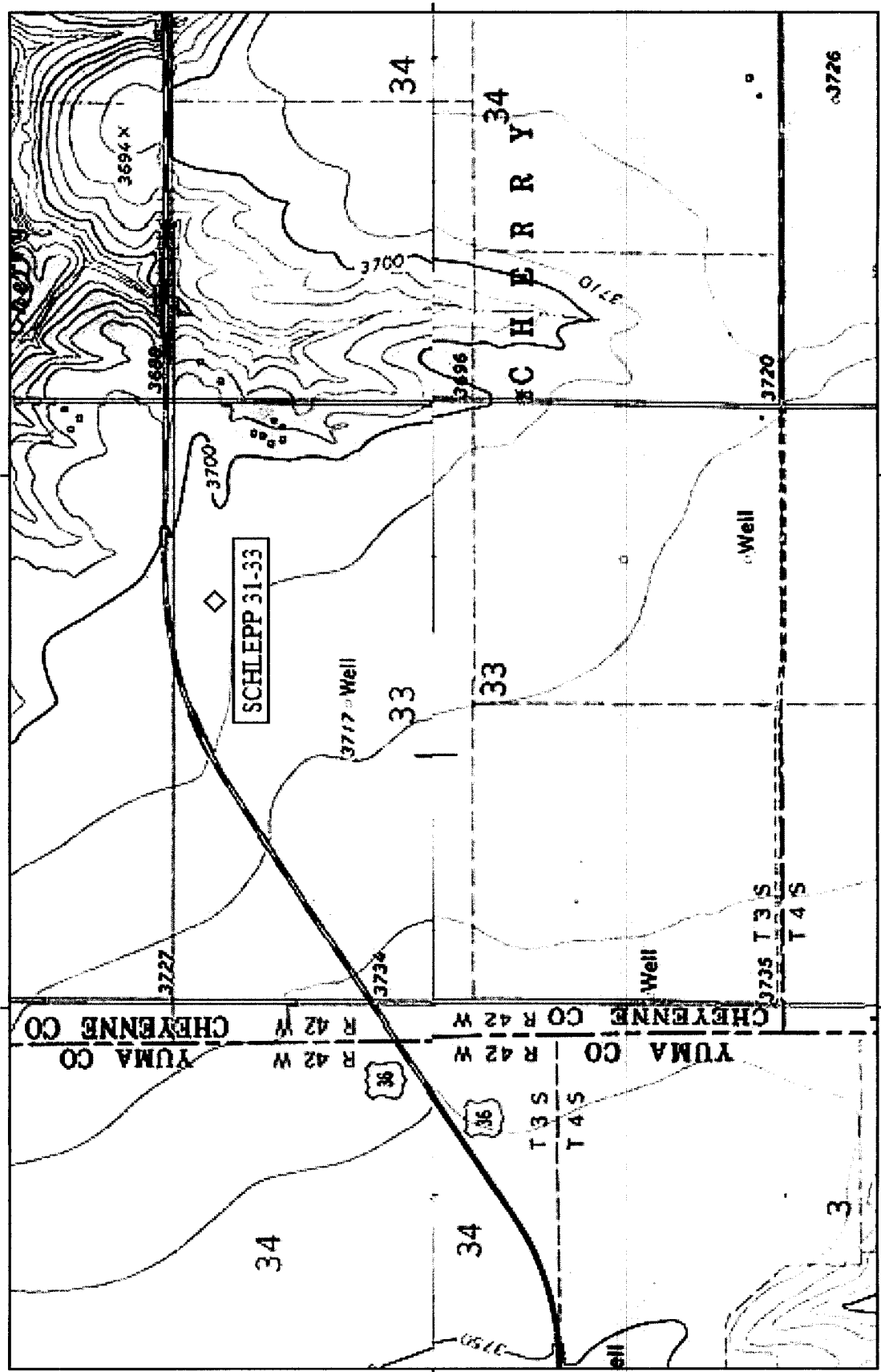
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TOPO! map printed on 10/12/09 from "Untitled.tpo"
WGS84 102.03333° W



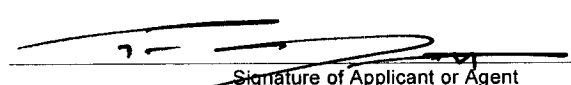
TN MN
8°

Map created with TOPO!® ©2005 National Geographic (www.nationalgeographic.com/topo)

**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 Street		Denver CO 80203
Contact Person: Tyson Johnston		Phone Number: 303-860-5809
Lease Name & Well No.: Schlepp 31-33		Pit Location (QQQQ): _____ NE _____ NW _____ NE Sec. <u>33</u> Twp. <u>3</u> R. <u>42</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>430</u> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <u>1,750</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 <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: <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 <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 and solids from drilling operations self seal pits
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>800</u> feet Depth of water well <u>216</u> feet		Depth to shallowest fresh water <u>177</u> feet. <input checked="" type="checkbox"/> 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: _____ 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.		
<u>11/6/2009</u> Date	 Signature of Applicant or Agent	RECEIVED NOV 10 2009 KCC WICHITA

15-023-21219-0000

KCC OFFICE USE ONLY		Steel Pit <input type="checkbox"/>	RFAC <input type="checkbox"/>	RFAS <input type="checkbox"/>
Date Received: <u>11/10/09</u>	Permit Number: _____	Permit Date: <u>11/10/09</u>	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

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