



CORPORATION COMMISSION

Mark Parkinson, Governor Thomas E. Wright, Chairman, Joseph F. Harkins, Commissioner, Ward Loyd, Commissioner

REQUEST FOR INFORMATION

July 08, 2010

COLT ENERGY INC -- KCC LICENSE # 5150
PO BOX 388
IOLA, KS 66749-0388

RE: API Well No. 15-031-22421-00-00
BEARD/SKELTON #3 33-16
SENESENW, 33-22S-16E
COFFEY County, Kansas

Dear Operator:

According to KCC records, the Intent to Drill approved by the KCC Conservation Division on April 21, 2009, for the well listed above, has expired. The KCC has not received a spud call or an ACO-1 Completion Report on this well.

If drilling operations on the well never commenced, please check, sign and date below and return this letter to the KCC Wichita office in the enclosed return envelope.

Well not drilled: Signature Shirley Stotler
Date: 7-12-10

If the well has been drilled, please submit the required ACO-1 Completion Report with all attachments for this well along with a copy of this letter to the KCC Wichita office.

In either case please provide the requested information within 30 days from the date of this letter. Pursuant to K.A.R. 82-3-128, failure to respond to this letter with the requested information may result in assessment of a monetary penalty of \$100.00. Failure to file the ACO-1 form, if applicable, may result in assessment of a monetary penalty of \$500.00.

We appreciate your cooperation in this matter. If you have any questions, please contact me at (316) 337-6200.

Very truly yours,

Steve Bond

Steve Bond
Production Department Supervisor

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JUL 16 2010
KCC WICHITA



KANSAS CORPORATION COMMISSION 1028513
OIL & GAS CONSERVATION DIVISION

For KCC Use:
Effective Date: 04/26/2009
District # 3
SGA? Yes No

NOTICE OF INTENT TO DRILL
Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date: 6/1/2009
month day year

OPERATOR: License# 5150
Name: Colt Energy Inc
Address 1: PO BOX 388
Address 2:
City: IOLA State: KS Zip: 66749 + 0388
Contact Person: Dennis Kershner
Phone: 620-365-3111

CONTRACTOR: License# 5989
Name: Finney, Kurt dba Finney Drilling Co.

Well Drilled For: Oil Gas Seismic; # of Holes Other:
Well Class: Infield Pool Ext. Wildcat Other
Type Equipment: Mud Rotary Air Rotary Cable
 Enh Rec Storage Disposal
 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 Description:
SE - NE - SE - NW Sec. 33 Twp. 22 S. R. 16 E W
(00000) 1,660 feet from N / S Line of Section
2,815 feet from E / W Line of Section

Is SECTION: Regular Irregular?
(Note: Locate well on the Section Plat on reverse side)

County: Coffey
Lease Name: Beard-Skelton #3 Well #: 33-16
Field Name: Leroy

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Middle Squirrel Sandstone

Nearest Lease or unit boundary line (in footage): 165
Ground Surface Elevation: 1004 Estimated 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: 28
Depth to bottom of usable water: 180

Surface Pipe by Alternate: I II
Length of Surface Pipe Planned to be set: 40

Length of Conductor Pipe (if any):
Projected Total Depth: 1200

Formation at Total Depth: Cherokee Group Shale

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: Lower Squirrel Sandstone

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KCC WICHITA

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 - 15-031-22421-00-00
Conductor pipe required 0 feet
Minimum surface pipe required 40 feet per ALT. I II
Approved by: Rick Hestermann 05/21/2009
This authorization expires: 04/21/2010
(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: 7-12-10

Signature of Operator or Agent

Shirley Staller

33 22 16 E W