NOTICE OF INTENT TO DRILL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

MARC 23 2006

For KCC use ONLY

Conductor pipe required

Minimum surface pipe required

Authorized signature:

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202
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: 
Operator: Gilbert-Spight Operating LLC
Lease: Big Rock
Well Number: 4
Field: Chese Silesia

Number of Acres attributable to well: 0
QTR / QTR / QTR of acreage: SE, NE, SW

Location of Well: County: Rice
Location from S / W Line of Section
Sec.: 7
Twp.: 205
Range: E1/2
Lat. / Long.: SW

Is Section: Regular or Irregular

If Section is Irregular, locate well from nearest corner boundary. Section corner un
NE / NW / SE / SW

PLAT
(Show location of the well and shade step-by-step acreage for prorated or spaced wells)
(Show footage to the nearest lease or unit boundary line)

RECEIVED
KANSAS CORPORATION COMMISSION
MAR 23 2006
CONSERVATION DIVISION
WICHITA KS

EXAMPLE

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 section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
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; CO-8 for gas wells).
March 30, 2006

Mr. Kent L. Gilbert
Gilbert-Stewart Operating, LLC
1801 Broadway Ste 450
Denver, CO 80202

Re: Drilling Pit Application
Big Red Lease Well No. 4
SW/4 Sec. 07-20S-10W
Rice County, Kansas

Dear Mr. Gilbert:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed without slots, the bottom shall be flat and reasonably level, and the fee fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again within 72 hours after drilling operations have ceased.

If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (316) 630-4000 when the fluids have been removed. Please file form CDP-5 (August 2004). Exploration and Production Waste Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site:
www.kcc.state.ks.us/conservation/forms.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,

Kathy Haynes
Environmental Protection and Remediation Department

cc: Doug Louis

Conservation Division, Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802
Voice 316.237.8200  Fax 316.337.6211  www.kcc.state.ks.us