For KCC Use ONLY

API # 15: 007-22905 00:00
Conductor pipe required: NONE text
Minimum surface casing pressure: 200, test per Att 0 %
Approved type: ZBC
This authorization expires: 22-05-11
(This authorization void if work not started within 60 days of effective date.)
Spud date: 06-29-05
Agent: Dear Patterson

Remember to:
- File Drl Plt Application (form COP-1) with Intent to Drill.
- File Completion Form ACO-1 where >20 days of spud date
- File acreage attribution plat according to field production orders;
- Notify appropriate district prior to workover or re-entry,
- Submit plugging report (CP-K) after plugging is completed,
- Obtain written approval before destroying or injecting salt water.
- If this permit has expired (See authorized expiration date) please check the box below and return to the address below.
[ ] Permit Not Drilled - Permit Expired
Signature of Operator or Agent: Dear Patterson
Date: 11-22-05

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67222
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 relation 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 ½ mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15: ____________________________
Operator: WOOLSEY OPERATING COMPANY, LLC
Lease: Steinberger A GU
Well Number: 3
Field: Aerna

Location of Well: County: Barber

<table>
<thead>
<tr>
<th>Year</th>
<th>Section</th>
<th>Twp.</th>
<th>Range</th>
<th>R</th>
<th>W Line of Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>1930</td>
<td>8</td>
<td>35</td>
<td>13</td>
<td></td>
<td>East/West</td>
</tr>
<tr>
<td>1930</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Is Section: [ ] Regular or [ ] Irregular
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: [ ] NE [ ] NW [ ] SE [ ] SW

Number of Acres attributable to well:

QTR / QTR / QTR of acreage: 50° E 50° W

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 unit must be attached: (CG-7 for oil wells, CG-8 for gas wells).
May 23, 2005

Mr. Dean Pattisson
Woolsey Operating Company, LLC
125 N. Market, Ste 1000
Wichita, KS 67202

RE: Drilling Pit Application
Sterberger A GU Lease Well No. 3
NE/4 Sec. 08-35S-13W
Barber County, Kansas

Dear Mr. Pattisson:

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 free 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 as soon as practical after drilling operations have ceased.

If production casing is set all completion fluids shall be removed on a daily basis.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 when the fluids have been removed. Also please file the enclosed CDP-5 form, Surface Pond Waste Transfer, within 30 days of fluid removal.

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 Hayflies
Environmental Protection and Remediation Department

cc: S Durrant