

John S. Helm

PADCO, LLC
136 EL CAMINO
BEVERLY HILLS, CA 90210

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FACSIMILE MESSAGE

Date: February 13, 2007

To: Randall H. Ferguson
OGCC

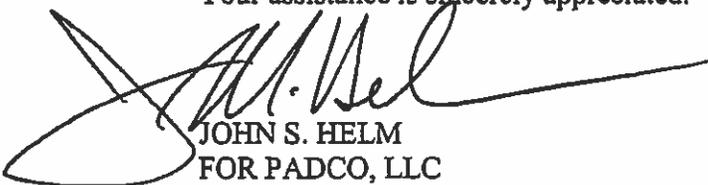
From: John S. Helm

Subj: Mittelstadt #1 (SE SE Sec 23-T10N-R53W
Leckler #1 (SW NW Sec 25-T10N-R53W
Logan County, Colorado

MESSAGE:

Pursuant to our telephone conversation this afternoon, we have instructed Mr. Jack Crumley to tour and review the subject areas, in accordance with your request. As we discussed, this area is currently covered in snow, so Mr. Crumley will inspect these areas and report to this office. Since these two locations were plugged approximately 46 years ago, we will have to reconstruct files of these wells. As a result, we respectfully request an extension of time to respond, beyond your requested "corrective action date" of February 28, 2007. Mr. Crumley will stay in contact with your office.

Your assistance is sincerely appreciated.



JOHN S. HELM
FOR PADCO, LLC

TOTAL NUMBER OF PAGES INCLUDING THIS COVERPAGE: 3

COGIS - Field Inspection Report

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API Number	05-075-06731-00	Well Name	LECKLER #1
Well Location	SWNW 25 10N 53W	Lat. 40 812957	Long -103 245427
Operator #	24500	Operator Name	PADCO LLC
Inspection Date	6/21/2006	Inspector.	RANDALL FERGUSON

Inspection was Failed

Insp Type ES	Insp Stat. PA	Plugged F	Pass/Fail F
Violation Y		NOAV Sent N	
UIC Violation Type:		Brhd Pressure	
Inj Pressure.		T-C Ann Pressure	
Date Corrective Action Due: 2/28/2007		Date Remedied	

Field Inspection Comments and Observations

Insp. Comment	Inspection/Violation Comments
ACTION	SUBMIT A FORM 27 - SITE INVESTIGATION AND REMEDIATION WORKPLAN FOR THE REMEDIATION AND RECLAMATION OF THE PRODUCED WATER IMPACTED SOILS
MISC	THE WELL WAS PLUGGED AND ABANDONED IN DECEMBER OF 1960
SPILCOM	REPRESENTATIVE SOIL SAMPLE WAS COLLECTED FROM AREA OF HISTORIC PRODUCED WATER DISCHARGES. LAB RESULTS INDICATE A SODIUM ADSORPTION RATIO (SAR) OF 26. THIS EXCEEDS THE COGCC ALLOWABLE CONCENTRATIONS AND LEVELS FOR INORGANICS AS SPECIFIED IN TABLE 910-1. THE COGCC STANDARD FOR SAR IS 12.