

APPLICATION FOR PERMIT TO:

1. Drill, Deepen, Re-enter, Recomplete and Operate

2. TYPE OF WELL: OIL GAS COALBED OTHER: SINGLE ZONE MULTIPLE ZONES COMMINGLE ZONES

Refilling Sidetrack

3. Name of Operator PRB Oil & Gas, Inc. 4. COGCC Operator Number: 10203

5. Address: 1875 Lawrence Street, Suite 450 City: Denver State: CO Zip: 80202

6. Contact Name: Mike Purfield Phone: 303-308-1330 xt 108 Fax: 303-308-1590

7. Well Name: Ozman Trust Well Number: 943-29-13

8. Unit Name (if appl): Unit Number:

9. Proposed Total Measured Depth: 3000'

10. QtrQtr: NWSW Sec: 29 Twp: 9N Rng: 43W Meridian: 6th PM

Latitude: 40.72434 Longitude: -102.16825

Footage At Surface: 1675' FSL 610' FWL

11. Field Name: Lone Duck Unnamed Field Number: 85257-53165

12. Ground Elevation: 3666' 13. County: Phillips

14. GPS Data: Date of Measurement: 4/14/2007 PDOP Reading: 2.853 Instrument Operator's Name: Neal McCormick

15. If well is: Directional Horizontal (highly deviated), submit deviated drilling plan. Bottomhole Sec Twp Rng:

Footage At Top of Prod Zone: At Bottom Hole:

16. Is location in a high density area (Rule 603b)? Yes No

17. Distance to the nearest building, public road, above ground utility or railroad: 150' +

18. Distance to Nearest Property Line: 600' + 19. Distance to nearest well permitted/completed in the same formation: 3261' 4200' +

20. LEASE, SPACING AND POOLING INFORMATION

Table with 5 columns: Objective Formation(s), Formation Code, Spacing Order Number (s), Unit Acreage Assigned to Well, Unit Configuration (N/2, SE/4, etc.)

21. Mineral Ownership: Fee State Federal Indian

22. Surface Ownership: Fee State Federal Indian

23. Is the Surface Owner also the Mineral Owner? Yes No

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? Yes No

23b. If 23 is No: Surface Owners Agreement Attached or \$25,000 Blanket Surface Bond \$2,000 Surface Bond \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):

T9N, R43W, Sec. 29: S/2NE/4, S/2

25. Distance to Nearest Mineral Lease Line: 610 600' + 26. Total Acres in Lease: 400

27. Is H2S anticipated? Yes No

28. Will salt sections be encountered during drilling? Yes No

29. Will salt (>15,000 ppm TDS Cl) or oil based muds be used during drilling? Yes No

30. If questions 27 or 28 are yes, is this location in a sensitive area (Rule 903)? Yes No

31. Mud disposal: Offsite Onsite

Method: Land Farming Land Spreading Disposal Facility Other: Evap. & Burial

NOTE: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

Table with 8 columns: String, Size of Hole, Size of Casing, Weight Per Foot, Setting Depth, Sacks Cement, Cement Bottom, Cement Top

32. BOP Equipment Type: Annular Preventor Double Ram Rotating Head None

33. Comments

34. Initial Rule 306 Consultation took place on (date) 4/24/2007, was waived, or is not required. Provide supporting documentation if consultation has been waived or if good faith effort did not result in consultation.

PERMIT SUBMITTED TO COGCC PRIOR TO COMPLIANCE WITH RULE 306 CONSULTATION SHALL BE RETURNED UNAPPROVED.

I hereby certify that a complete permit package has been sent to the applicable Local Government Designee(s), and all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: [Signature] Title: Vice President

Print Name: Mike Purfield Date: 4/22/07 Email: mpurfield@prbenergy.com

Based on the information provided herein, this Application for Permit to Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: [Signature] Director of COGCC Date: 6/13/07

Permit Number: 20072280 Expiration Date: 6/12/08

CONDITIONS OF APPROVAL, IF ANY:

API NUMBER 05-095-06132-00

1) Provide 24 hour notice of MIRU to Kevin Lively at 970-522-6747. 2) Note change in surface casing setting depth. Set surface casing at least 50' into Pierre Shale for aquifer coverage (460' minimum). Cement to surface. Setting surface casing less than the approved depth shown above is a permit violation unless prior written approval is obtained from COGCC. 3) If dry hole, set 35 sks cement above Niobrara, 35 sks cement 1/2 in 1/2 out of surface casing, 10 sks cement top of surface casing, cut 4' below GL, weld on plate, 5 sks cement in rat hole & 5 sks cement in mouse hole.

**Colorado
Oil & Gas Conservation Commission**

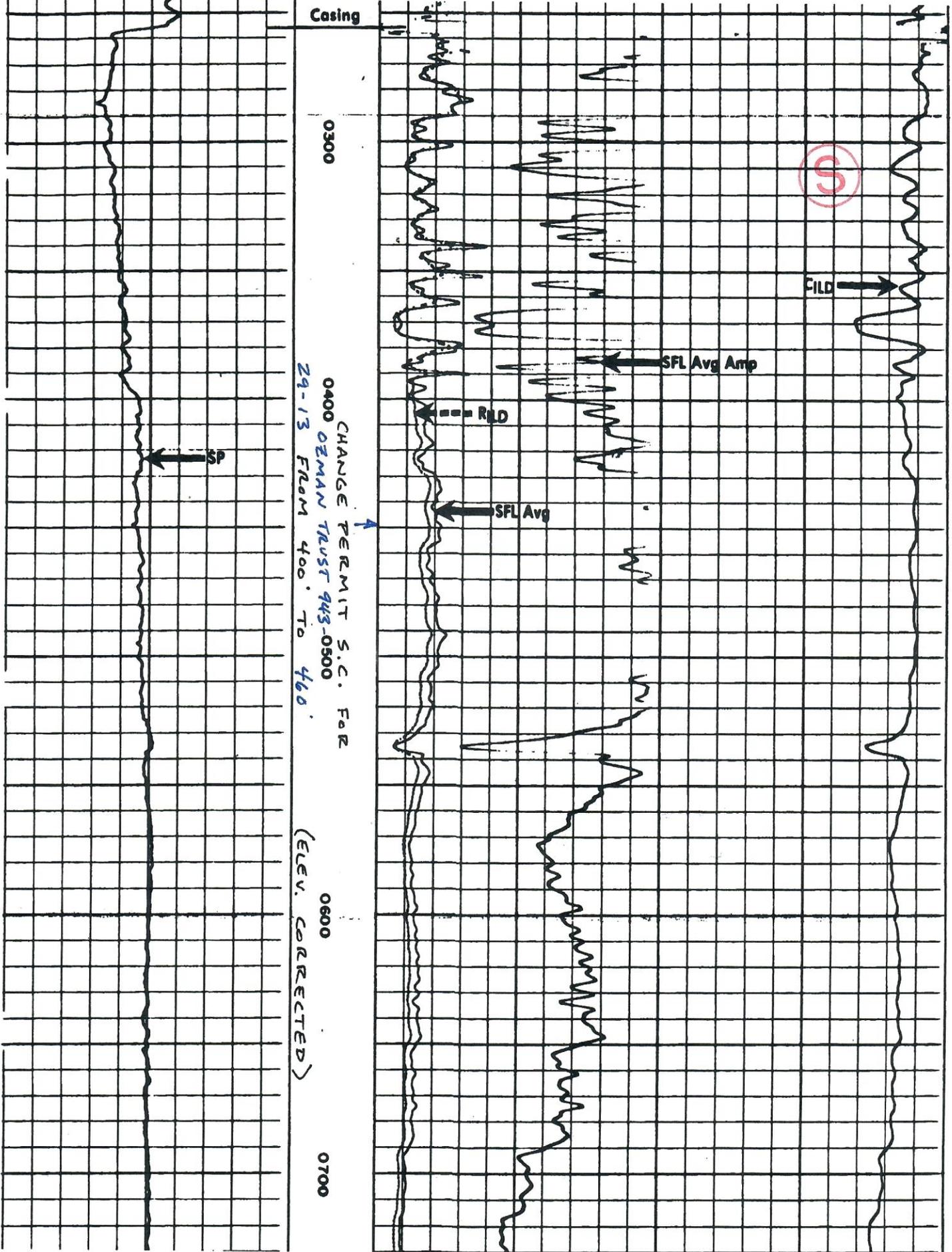


COGCC Results



Selected Items Report

| Oil and Gas Wells Selected | | | | | | |
|--|--|---|------------------|----------|-------------------------|---------|
| Filter Results by Formation Include <input type="checkbox"/> Filter | | | | | PR ≤ 2.0 MILES: NBRR | |
| WELL DESCRIPTION | | LOCATION | WELL INFORMATION | | | |
| Facilities Selected | | | | | | |
| FACILITY DESCRIPTION | | LOCATION | PIT INFORMATION | | | |
| | | | Type | Unlined | Status | |
| Water Wells Selected From Map | | | | | | |
| * Filter Results by Depth Greater than <input type="text" value="0"/> Filter | | | | | | |
| WELL DESCRIPTION | | LOCATION | WELL INFORMATION | | | |
| | | | Depth | Top Perf | Bottom Perf | Aquifer |
| Receipt=9053352, Permit=0004760-F- VIESELMAYER DALE | | NWNW 4 8N-43W | 315 | 0 | 0 | TO |
| Receipt=9054192, Permit=0146748-- CLAYMON DELVIN A. | | SENE 6 8N-43W | 242 | 0 | 0 | GW |
| Receipt=9054654, Permit=0020512-F- DIRKS L D | | SWSE 18 9N-43W | 310 | 0 | 0 | GW |
| Receipt=0917109, Permit=0034155-FP- DIRKS L D | | SWSE 18 9N-43W | 310 | 230 | 310 | TO |
| Receipt=9053373, Permit=0005647-F- REIFENRATH MARK | | NWNW 20 9N-43W | 350 | 0 | 0 | TO |
| Receipt=9053401, Permit=0007194-R- REIFENRATH MARK | | GS = 3688' SWNW 20 9N-43W | 360 | 0 | 0 | TO |
| Receipt=9053499, Permit=0012421-FP- REIFENRATH MARK | | GS = 3686' TD = 3326' GS = 3677' NWSE 20 9N-43W | 340 | 0 | 0 | TO |
| Receipt=9053915, Permit=0041878-- KRUEGER HULDA ESTATE | | SWSE 32 9N-43W | 318 | 0 | 0 | GW |
| Receipt=9053325, Permit=0000379-- VIESELMAYER ALLAN | | SWSE 33 9N-43W | 225 | 190 | 225 | GW |
| Receipt=9053774, Permit=0019882-- HAGEMAN RONALD | | NENE 24 9N-44W | 264 | 0 | 0 | GW |



Casing

0300

CHANGE PERMIT S.C. FOR
0400 OZMAN TRUST 943-0500
29-13 FROM 400' TO 460'

0600

(ELEV. CORRECTED)

0700

Sp

S

CILD

SFL Avg Amp

RFD

SFL Avg

095-06042 HAROLD A # 1 CNW 21-9N-43W GS = 3655'

Well name and number:

Ozeman Trust 943-29-13



Survey Plat Check list

| number | Item | |
|--------|--|-----------|
| | 8-1/2" x 11" scaled drawing of the entire section | ✓ |
| 1 | Dimensions on adjacent exterior section lines sufficient to completely describe the quarter section containing the proposed well shall be indicated | ✓ |
| 1a | If dimensions are not field measured, state how the dimensions were determined | ✓ |
| 2 | The latitude and longitude of the proposed well location shall be provided on the drawing with a minimum of five (5) decimal places of accuracy and precision using the North American Datum (NAD) of 1983 (e.g.; latitude 37.12345 N, longitude 104.45632 W). If GPS technology is utilized to determine the latitude and longitude, all GPS data shall meet the requirements set forth in Rule 215. a. through h. | ✓ |
| 2a | PDOP value <7 if GPS used | ✓ |
| 2b | 5 decimal places of accuracy & precision | ✓ |
| 2c | NAD 1983 | ✓ |
| 3 | For directional drilling into an adjacent section, that section shall also be shown on the location plat and dimensions on exterior section lines sufficient to completely describe the quarter section containing the proposed productive interval and bottom hole location shall be indicated. (Additional requirements related to directional drilling are found in Rule 321.) | <i>na</i> |
| 4 | For irregular, partial or truncated sections, dimensions will be furnished to completely describe the <u>entire</u> section containing the proposed well. | <i>na</i> |
| 5 | The field-measured distances from the nearer north/south and nearer east/west section lines shall be measured at ninety (90) degrees from said section lines to the well location and referenced on the plat. For unsurveyed land grants and other areas where an official public land survey system does not exist, the well locations shall be spotted as footages on a protracted section plat using Global Positioning System (GPS) technology and reported as latitude and longitude in accordance with Rule 215. | ✓ |
| 6 | A map legend | ✓ |
| 7 | A North Arrow | ✓ |
| 8 | A scale expressed as an equivalent (e.g. 1" = 1000'). | ✓ |
| 9 | A bar scale. | ✓ |
| 10 | The ground elevation. | ✓ |
| 11 | The basis of the elevation (how it was calculated or its source). | ✓ |
| 12 | The basis of bearing or interior angles used. | ✓ |
| 13 | Complete description of monuments and/or collateral evidence found; all aliquot corners used shall be described. | ✓ |
| 14 | The legal land description by section, township, range, principal meridian, baseline and county. | ✓ |
| 15 | Operator name | ✓ |
| 16 | Well name and number | ✓ |
| 17 | Date of completion of scaled drawing | ✓ |
| 18 | All visible improvements within two hundred (200) feet of a wellhead (or, in a high density area within four hundred (400) feet of a wellhead) shall be physically tied in and plotted on the well location plat or on an addendum, with a horizontal distance and approximate bearing from the well location. | <i>-</i> |
| 18a | Visible improvements shall include, but not be limited to, all buildings, publicly maintained roads and trails, major above ground utility lines, railroads, pipelines, mines, oil wells, gas wells, injection wells, water wells, visible plugged wells, sewers with manholes, standing bodies of water, and natural channels including permanent canals and ditches through which water flows. | <i>-</i> |
| 18b | If there are no visible improvements within two hundred (200) feet of a wellhead (or in a high density area within four hundred (400) feet of a wellhead), it shall be so noted on the Permit-to-Drill, Form 2. | <i>-</i> |
| 19 | Surface use shall be described within the two hundred (200) foot radius of a wellhead (or in a high density area within the four hundred (400) foot radius of a wellhead). | <i>-</i> |

The survey plat you submitted with your permit was found to be in ~~non~~-compliance with COGCC rule 303c. See above checklist. If a survey plat is not in compliance with rule 303c the operator will be notified and the permit will be placed on hold until an adequate replacement is supplied to the COGCC.

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