ISSUANCE OF PERMIT TO DRILL AN OIL OR GAS WELL

(The July 1987 stipulations approved by the State Geologist are conditions of this permit.)

OPERATOR: Nahama and Weagant Energy Company
WELL NAME: LF 31-36-65

PERMIT: #478
API: #36-009-00303

We will want to inspect the blow-out prevention equipment so please contact us before the surface casing pressure test. Call approximately 24 hours before the test is scheduled.

This directional well will drill across a setback between two spacing units. A directional survey must be provided which shows the bottom hole location of any productive zone. Should any productive zone fall within a setback, then affected mineral owners must agree to revenue distribution, or the Board must determine revenue distribution, before the well may be placed on production.

The above named permit has been approved:

Dennis L. Olmstead, Petroleum Engineer

April 26, 1993
Effective date