

STATUS REPORT

Kircher Unit

<u>Event</u>	<u>Start Date</u>	<u>Completion Date</u>
Leases signed	May 2006	Aug 2006
Borough Permit	Apr 2007	Oct 2007
Issued		Oct 2007
Bond posted		May 2008
State Permit	Oct 2007	Feb 2008
Issued		May 2008
Bond posted		Mar 2008
Pre-Drilling mobilization	Jun 2008	Jul 2008
Drilling	Fall 2008	
Production	Early 2009	

Notes:

May 05, 2008	Drill pipe availability is becoming severely restricted due to a threatened federal embargo on the importation of drill pipe from China. We and all the major companies are scrambling to secure our supply sources.
May 15, 2008	The commissioners of the AOGCC, the State permitting authority, signed the State drilling permit
June 01, 2008	Access road and drill pad construction started
July 15, 2008	Road and pad completed