KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL
Must be approved by KCC five (5) days prior to commencing well

For KCC Use:
Effective Date:
District #
SGA? [ ] Yes [ ] No

Expected Spud Date: March 15, 2001

OPERATOR: License#: 31609
Name: Priority Oil & Gas LLC
Address: 633 17th St., Ste. 1520

City/State/Zip: Denver, CO 80202
Contact Person: Robbie Gries
Phone: (303) 296-3435

CONTRACTOR: License#: 8273
Name: Excell Drilling Company

Well Drilled For: [ ] Oil [ ] Gas [ ] Storage
[ ] OWWO [ ] Disposal [ ] Seismic: [ ] # of Holes[ ] other
[ ] Enh Rec [ ] Infield [ ] Wildcat [ ] Cable
[ ] Mud Rotary [ ] Air Rotary
[ ] Other

If OWWO: old well information as follows:
Operator:
Well Name:
Original Completion Date:
Original Total Depth: Yes [ ] No

Directional, Deviated or Horizontal wellbore? [ ] Yes [ ] No
If Yes, true vertical depth:

Bottom Hole Location:

KCC DKT #: [ ]

Spot "X"

APPROX.

Sec. 25 Twp. 3 S.R. 42
W/2 1864 feet from S / E (circle one) Line of Section
Is SECTION Regular [ ] Irregular [ ]

(Note: Locate well on the Section Plat on reverse side)

County: Cheyenne
Lease Name: Raile
Well #: 2-25
Field Name: Cherry Creek
Target Formation(s): Niobrara
Nearest Lease or unit boundary:
Ground Surface Elevation:
Water well within one-quarter mile:
P public water supply well within one mile:
Depth to bottom of fresh water:
Surface Pipe by Alternate: Yes [ ] No
Length of Surface Pipe Planned to be set: None
Length of Conductor Pipe required:
Projected Total Depth:
Formations at Total Depth:
Water Source for Drilling Operations:
DWR Permit #: [ ]
Will Cores be taken? [ ]
If Yes, proposed zone:

AFFIDAVIT
The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.

It is agreed that the following minimum requirements will be met:
1. Notify the appropriate district office prior to spudding of well;
2. A copy of the approved notice of intent to drill shall be posted on each drilling rig;
3. The minimum amount of surface pipe as specified below shall be set by circulating cement to the top; in all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 days of spud date. In all cases, NOTIFY district office prior to any cementing.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: Mar 2, 2001
Signature of Operator or Agent: [ ]

For KCC Use ONLY
API # 15 - 023-20405-0000
Conductor pipe required: None
Minimum surface pipe required: 300 feet per Alt. (1) [ ]
Approved by: [ ]
Approved:
This authorization expires: 9-13-2001
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: [ ]
Agent:

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

Remember to:
- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form (ACO-1) within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing of or injecting salt water.
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 relationship 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 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15: ____________________________  Location of Well: County: ________________
Operator: ____________________________  Location from S / N (circle one) Line of Section
Lease: ________________________________________________________________________
Well Number: ______________________________________________________________________
Sec. _____  Twp. _____  R. _____  East  West
Field: _______________________________________________________________________
Number of Acres attributable to well: ____________________________
QTR / QTR / QTR of acreage: __________ - __________ - __________

Is Section_________ Regular or _________ Irregular

If Section is Irregular, locate well from nearest corner boundary.
Section corner used: __ NE  NW  NE  SW

PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)

MAR 07 2001

CONSERVATION DIVISION
WICHITA, KS

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 plat must be attached: (CG-7 for oil wells; CG-8 for gas wells).