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

Expected Spud Date: December 1, 2000

OPERATOR: License#: 31609
Name: Priority Oil & Gas LLC
Address: 633 17th St., Ste 1520
City/State/Zip: Denver, CO 80202
Contact Person: Robbie Cries
Phone: 303-296-3435

CONTRACTOR: License#: 8273
Name: Excell Drilling Company

Well Drilled For: Oil
Well Class: Enh Rec
Type Equipment: Infield

Spot Approx:
NE NE Sec. 16 Twp. 4 S. R. 40
650 feet from S / W (circle one) Line of Section
552 feet from S / W (circle one) Line of Section
Is SECTION X Regular _____ Irregular _____
(Note: Locate well on the Section Plat on reverse side)

County: Cheyenne
Lease Name: Harkins
Well #: 2-16
Field Name: Cherry Creek

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Niobrara
Nearest Lease or Field Boundary: 552'
Ground Surface Elevation: 3447
Water well within one-quarter mile:
Public water supply well within one mile:
Depth to bottom of fresh water:
Depth to bottom of usable water:
Surface Pipe by Alternate: X 2
Length of Surface Pipe Planned to be set:
Length of Conductor Pipe required:
Projected Total Depth:
Formation at Total Depth: Niobrara
Water Source for Drilling Operations:
Well Farm Pond Other City Water
DWR Permit #:

Will Cores be Taken? Yes No
(Note: Apply for Permit with DWR)

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.

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

Date: 12/11/00 Signature of Operator or Agent: [Signature]
Title: Office Manager

For KCC Use ONLY
API # 15 - 023- 20384-0000
Conductor pipe required: None
Minimum surface pipe required: 300' feet per Alt
Approved by: 12-15-2000
This authorization expires: 6-15-2001
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: Agent:

Remember to:
- File Drill Plat Application (form CDP-1) with Intent to Drill;
- File Completion Form ACC-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 or injecting salt water.

RECEIVED
STATE CORPORATION COMMISSION
DEC 1 5 2000

CONSERVATION DIVISION
Wichita, Kansas

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202
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 - ____________________________
Operator: ________________________________
Lease: _________________________________
Well Number: ____________________________
Field: ________________________________
Number of Acres attributable to well: ________________
QTR / QTR / QTR of acreage: ________ - ________ - ________

Location of Well: County: ____________________________
feet from S / N (circle one) Line of Section
feet from E / W (circle one) Line of Section
Sec. ______ Twp. ______ S. R. _______ [ ] East [ ] West
Is Section ______ Regular or ______ Irregular
If Section is Irregular, locate well from nearest corner boundary.
Section corner used: _____NE _____NW _____SE _____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.)

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-8 for oil wells, CG-8 for gas wells).