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

March 15, 2001

Expected Spud Date: March 15, 2001

OPERATOR: License#: 31609
Priority Oil & Gas LLC
Name: 633 17th St., Ste. 1520
Address: Denver, CO 80202
Contact Person: Robbie Gries
Phone: (303) 296-3435

CONTRACTOR: License#: 32765
Stewart Brothers Drilling Company

Well Drilled For: Oil
Well Class: X Infield
Type Equipment: X Mud Rotary

Spot W/2 SW SW
Sec. 10, Twp. 4, S.R. 40

Is SECTION Regular X Irregular?

Nearest Lease or unit boundary: 379 ft

Ground Surface Elevation: 3474 ft MSL

Well water 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 1/2

Length of Surface Pipe Planned to be:

Length of Condutor Pipe required:

Projected Total Depth: 1550 ft

Formation at Total Depth: Niobrara

Water Source for Drilling Operations:

DWR Permit #:

Will Cores be taken? Yes X No

KCC DKT #:

AFFIDAVIT

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

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 at least 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 pluging;
5. The appropriate district office shall be notified prior to 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: 3/15/01 Signature of Operator or Agent: Title: Office Mgr.

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.

<table>
<thead>
<tr>
<th>API No. 15</th>
<th>Location of Well: County:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operator:</td>
<td>________________________</td>
</tr>
<tr>
<td>Lease:</td>
<td>________________________</td>
</tr>
<tr>
<td>Well Number:</td>
<td>________________________</td>
</tr>
<tr>
<td>Field:</td>
<td>________________________</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number of Acres attributable to well:</th>
<th>QTR / QTR / QTR of acreage:</th>
</tr>
</thead>
</table>

Is Section Regular or Irregular

If Section is Irregular, locate well from nearest corner boundary.
Section corner used: _NE __NW __SE __SW

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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.)

![Diagram of well location andacreage]

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: (C0-7 for oil wells; CG-8 for gas wells).