STATE OF KANSAS
KANSAS CORPORATION COMMISSION
CONSERVATION DIVISION
130 South Market - Room 2078
Wichita, Kansas 67202

WELL PLUGGING APPLICATION FORM
(please type form and file one copy)

API # 15-023-20-075 (identifier number of this well). This must be listed for wells drilled since 1967; if no API # was issued, indicate spud or completion date.

WELL OPERATOR: Priority Oil & Gas LLC
KCC LICENSE #: 31609
(Owner/company name) (operator's)

ADDRESS: PO Box 27798
CITY: Denver

STATE: CO
ZIP CODE: 80227-0798
CONTACT PHONE #: (303) 296-3435

LEASE: Harkins
WELL #: 1-16 SEC. 16 T. 48 S. R. 40 (W/E/West)

SPOT LOCATION/County: NW/4, Cheyenne

1000 FEET (in exact footage) FROM W/N (circle one) LINE OF SECTION (NOT Lease Line)

1000 FEET (in exact footage) FROM E/W (circle one) LINE OF SECTION (NOT Lease Line)

Check One: OIL WELL ___ GAS WELL X D&A ___ SWD/ENHR WELL ___ DOCKET # ____________

CONDUCTOR CASING SIZE: NA SET AT __________ CEMENTED WITH __________ SACKS

SURFACE CASING SIZE: 8 5/8" SET AT 155' CEMENTED WITH 140 SACKS

PRODUCTION CASING SIZE: 4 1/2" SET AT 1318' CEMENTED WITH 100 SACKS

LIST (ALL) PERFORATIONS and BRIDGEPLUG SETS: 1 shot/ft 1214-1236'

ELEVATION: 3417 T.D. 1352 PTBD: unknown ANHYDRITE DEPTH: (Stone Corral Formation)

CONDITION OF WELL: GOOD X POOR ___ CASING LEAK ___ JUNK IN HOLE ___

PROPOSED METHOD OF PLUGGING: per KCC rules & regs 82-3-114 (operator)

(proposed method of plugging)

(MAR 06 2003)

If additional space is needed attach separate page.

IS WELL LOG ATTACHED TO THIS APPLICATION AS REQUIRED? Yes X AC0-1 FILED: unknown

If not explain why? well drilled in 1978, no AC0-1 in our records

PLUGGING OF THIS WELL WILL BE DONE IN ACCORDANCE WITH K.S.A. 55-101 st. sec. AND THE RULES AND REGULATIONS OF THE STATE CORPORATION COMMISSION.

LIST NAME OF COMPANY REPRESENTATIVE AUTHORIZED TO BE IN CHARGE OF PLUGGING OPERATIONS:

Andy Peterson or Dave Ruest
Hoomezteder Motel
ADDRESS: Hwy 36
St. Francis, KS

PHONE #: 785 332-0101 cell

PLUGGING CONTRACTOR: Allied Cementing
KCC LICENSE #: none
ADDRESS: PO Box 31, Russell, KS

PHONE #: 785 672-3452

PROPOSED DATE AND HOUR OF PLUGGING (If Known?): March 7 through 14, 2003

PAYMENT OF THE PLUGGING FEE (K.A.R. 82-3-118) WILL BE GUARANTEED BY OPERATOR OR AGENT

DATE: 3/5/03 AUTHORIZED OPERATOR/AGENT:

(signature)
NOTICE OF RECEIPT OF WELL PLUGGING APPLICATION (CP-1)

Priority Oil & Gas LLC
PO Box 27798
Denver, CO 80227-0798

March 06, 2003

Re: HARKINS #1-16
API 15-023-20075-00-00
SESENWNW 16-4S-40W, 1000 FNL 1000 FWL
CHEYENNE COUNTY, KANSAS

Dear Operator:

This letter is to notify you that the Conservation Division is in receipt of your plugging proposal, form CP-1, for the above-captioned well.

Your CP-1 has been reviewed by the Conservation Division central office for completeness and to verify license numbers. The plugging proposal will now be forwarded to the district office listed below for review of your proposed method of plugging.

Please contact the district office for approval of your proposed plugging method at least five (5) days before plugging the well, pursuant to K.A.R. 82-3-113 (b). If a workover pit will be used during the plugging of the well it must be permitted. A CDP-1 form must be filed and approved prior to the use of the pit.

The Conservation Division's review of form CP-1, either in the central or district office, does not include an inquiry into well ownership or the filing operator's legal right to plug the well.

This notice in no way constitutes authorization to plug the above-captioned well by persons not having legal rights of ownership or interest in the well. This notice is void after ninety (90) days from the above date.

Sincerely

David P. Williams
Production Supervisor

District: #4
2301 E. 13th
Hays, KS 67601
(785) 625-0550