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: May 15, 2001

OPERATOR: Priority Oil & Gas LLC
Name: Robbie Gries
Phone: (303) 296-3435

CONTRACTOR: Stewart Brothers Drilling Company
Name: Stewart Brothers Drilling Company

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

County: Cheyenne
Lease Name: Neitzel
Field Name: Cherry Creek

Target Formation(s): Niobrara
Nearest Lease or unit boundary: 342' fnl
Ground Surface Elevation: 3396
Water well within one-quarter mile: Yes

Depth to bottom of fresh water: 150'
Depth to bottom of usable water: 250'
Surface Pipe by Alternate: 300'
Length of Surface Pipe Planned to be set: None
Length of Conductor Pipe required: None
Projected Total Depth: 1475'
Formation at Total Depth: Niobrara

Water Source for Drilling Operations: 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.

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: 5/7/01
Signature of Operator or Agent: Jean C. Title: 5/7/01

For KCC Use ONLY
API # 15 - 023-20427-0000
Conductor pipe required - None feet
Minimum surface pipe required - 300 feet per Alt. 1
Approved by: 5/4-2001
This authorization expires: 11-9-2001
(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
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: ___________________________  
Lease: ___________________________  
Well Number: ___________________________  
Field: ___________________________

Location of Well: County: ___________________________  
feet from S / N (circle one) Line of Section  
Sec. ______ Twp. ______ S. R. _____  
feet from E / W (circle one) Line of Section  
Sec. ______ Twp. ______ S. R. _____  
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 MILES PER SIDE, 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).