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 29
Expected Spud Date: February 1, 2003

OPERATOR: License#: 31609
Name: Priority Oil & Gas LLC
Address: PO Box 27798
City/State/Zip: Denver, CO 80227-0798
Contact Person: Robbie Gries
Phone: 303-296-3435

CONTRACTOR: License#: 8273
Name: Excell Drilling Co.

Well Drilled For:
Oil [ ] Gas [ ] Storage [ ] Disposal [ ] Other [ ]
Gas [ ] Enh Rec [ ] Infield [ ] Mud Rotary [ ] Wildcat [ ]
QWO [ ] Pool Ext. [ ] Air Rotary [ ] Cable [ ]
Seismic: [ ] # of Holes [ ] Other [ ]

If QWO: old well information as follows:
Operator: 
Well Name: 
Original Completion Date: 
Original Total Depth: 

Directional, Deviated or Horizontal wellbore? [ ] Yes [ ] No
if Yes, true vertical depth:
Bottom Hole Location:

KCC DKT #: 2025' FSL, 1240' FWL E3: 1803' FSL, 2280' FNL

(X) WAS: 2025' FSL, 1240' FWL E3: 1803' FSL, 2280' FNL

(X) WAS: SENEW, 2025 FNL IS: 1803' FNL

Spot
SE NE SW
1803'
2280'

Sec. 1 Twp 5
SR 42

Is SECTION [ ] Regular [ ] Irregular [ ]

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

County: Cheyenne
Lease Name: Holzwarth
Field Name: Cherry Creek
Target Formation(s): Niobrara
Nearest Lease or Unit boundary: 1803' FSL

Ground Surface Elevation: 31.15 feet MSL
Water well within one-quarter mile:
Public water supply well within one mile:

Depth to bottom of fresh water: 150'
Depth to bottom of usable water: 230'

Surface Pipe by Alternate: X 1 2
Length of Surface Pipe Planned to be set: 390'
Length of Conductor Pipe required: none
Project Total Depth: 1800'

Formation & Total Depth: Niobrara

Well Source for Drilling Operations:

DWR Permit #: 
Water Source for Drilling Operations: 
Well: Farm Pond Other 

(Note: If no DWR Permit apply for Permit with DWR)

Will Cores be taken? [ ] Yes [ ] No

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 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 shall 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: 2/20/03 Signature of Operator or Agent:

Title: Office Manager

For KCC Use ONLY
API # 15 - 023-20484-00-00
Conductor pipe required NONE feet
Minimum surface pipe required 280 feet per Alt. 0
Approved by: RSP 2-4-03/RSP 2-28-03
This authorization expires: 8-4-03

Spud date: Agent:

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 order;
- 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.

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202
INWELLO CHARTHEET: AN EXTENDEDWELL ON THE FLAT BELOW
Preliminary report file to be completed as shown below.

Please show all the wells within 1 mile of the boundaries of the proposed area to be annexed.

AAPNR: 15

 Lease: 31st Avenue
Wd: 2116
File: 1st Avenue

Proposed Well: 31st Avenue
Wd: 2116
File: 1st Avenue

Plat

(Show location of proposed well on plat to be annexed)

FEB 21 2003

KANSAS CORPORATION COMMISSION
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<tr>
<th>LEASE NO.</th>
<th>LESSOR</th>
<th>LESSEE</th>
<th>DATE</th>
<th>DESCRIPTION</th>
<th>RECORDED Book</th>
<th>Page</th>
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<tr>
<td>K-1387</td>
<td>Leland Holzwarth and Mary F. Holzwarth, his wife</td>
<td>Mountain Petroleum Corporation</td>
<td>5-15-74</td>
<td>Township 5 South, Range 42 West Section 1: NW/4, SW/4, W/2SE/4</td>
<td>34</td>
<td>312</td>
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<td>K-1571</td>
<td>Fred J. Stasser and Charlotte L. Stasser, husband and wife</td>
<td>Mountain Petroleum Corporation</td>
<td>4-29-74</td>
<td>Township 5 South, Range 42 West Section 1: NE/4</td>
<td>34</td>
<td>286</td>
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<td>K-1943</td>
<td>Ida E. Nelsen, a widow</td>
<td>St. Clair Operating Company</td>
<td>2-10-75</td>
<td>Township 5 South, Range 42 West Section 1: E/2SE/4</td>
<td>36</td>
<td>158</td>
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<td>K-1392</td>
<td>Donald C. Stamps and Linda K. Stamps, his wife</td>
<td>Mountain Petroleum Corporation</td>
<td>6-14-74</td>
<td>Township 5 South, Range 42 West Section 1: NE/4</td>
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<td>332</td>
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