

CORRECTED

RECEIVED
APR 19 2004
KCC WICHITA

For KCC Use: 4-25-04
Effective Date: _____
District # 4
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

Form C-1
December 2002
Form must be Typed
Form must be Signed
All blanks must be Filled

Must be approved by KCC five (5) days prior to commencing well
AP 90'S E 20 W of

Expected Spud Date 4 20 2004
month day year

Spot N/2 N/2 SE
NE NW SE Sec. 20 Twp. 4 S. R. 41 East West
_____ feet from N / S Line of Section
2230'
_____ feet from E / W Line of Section
1340'

OPERATOR: License# 30282
Name: Lobo Production, Inc.
Address: 6715 Road 22
City/State/Zip: Goodland, KS 67735
Contact Person: John Sanders
Phone: 785-899-5684

Is SECTION Regular Irregular?

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

CONTRACTOR: License# Schaal Drilling # 33229
Name: Poe Servicing, Inc. # 3152

County: CHEYENNE
Lease Name: ADAMS-MCATEE Well #: 4-20
Field Name: CHERRY CREEK NIOBRARA GAS AREA

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Niobrara

Well Drilled For: Well Class: Type Equipment:
 Oil Enh Rec Infield Mud Rotary
 Gas Storage Pool Ext. Air Rotary
 OWWO Disposal Wildcat Cable
 Seismic; # of Holes Other
 Other

* Nearest Lease or unit boundary: 410' (POOLING BOUNDARY)
Ground Surface Elevation: 3430' feet MSL

Water well within one-quarter mile: Yes No

Public water supply well within one mile: Yes No

* Depth to bottom of fresh water: 50
Depth to bottom of usable water: 30

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 106' min

Length of Conductor Pipe required: none

Projected Total Depth: 1350'

Formation at Total Depth: _____

If OWWO: old well information as follows:
Operator: _____
Well Name: _____
Original Completion Date: _____ Original Total Depth: 100'

Water Source for Drilling Operations:
 Well Farm Pond Other City Water

DWR Permit #: _____

Directional, Deviated or Horizontal wellbore? Yes No

If Yes, true vertical depth: _____

Bottom Hole Location: _____

KCC DKT #: _____

(Note: Apply for Permit with DWR)

Will Cores be taken? Yes No

If Yes, proposed zone: _____

ALT-1 DEPTH PER DIST. 4 = 100'

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 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.
Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. **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: 4/16/04 Signature of Operator or Agent: John K. Sanders Title: Owner/Operator

For KCC Use ONLY

API # 15 - 023-20560-00-00

Conductor pipe required NONE feet

Minimum surface pipe required 100 feet per Alt. 1

Approved by: RJP 4-20-04 / RJP 7-27-04

This authorization expires: 10-20-04

(This authorization void if drilling not started within 6 months of effective date.)

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 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.
- If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.

Well Not Drilled - Permit Expired

Signature of Operator or Agent: _____

Date: _____

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

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