

FIRST/second
CORRECTED

KANSAS CORPORATION COMMISSION

For KCC Use: 7-20-04
Effective Date: _____
District # 4
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

JUL 15 2004

Form C-1
December 2002

Form must be Typed
Form must be Signed
blanks must be Filled

NOTICE OF INTENT TO DRILL

RECEIVED

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date 7 23 2004
month day year *Ap

Spot NW SE SE Sec. 34 Twp. 4 S. R. 42 East West
897 897' feet from N / S Line of Section
1004 900' feet from E / W Line of Section
Is SECTION Regular Irregular?

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

CONTRACTOR: License# Woofter Pump & Well #32940 33421
Name: Poe Servicing, Inc. # 3152

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

(Note: Locate well on the Section Plat on reverse side)
County: CHEYENNE
Lease Name: O'BRIEN Well #: 2-34
Field Name: CHERRY CREEK NIOBRARA GAS AREA
Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Niobrara
Nearest Lease or unit boundary: 897' FSL
Ground Surface Elevation: 3552' 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: 150 115
Depth to bottom of usable water: 80 115
Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 200'
Length of Conductor Pipe required: none
Projected Total Depth: 1400'
Formation at Total Depth: Niobrara?

If OWWO: 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 #: _____

Water Source for Drilling Operations:
 Well Farm Pond Other City Water
DWR Permit #: _____
(Note: Apply for Permit with DWR)
Will Cores be taken? Yes No
If Yes, proposed zone: _____

* Original Permit 897' FSL 1004' FEL
change to: 897' FSL 900' FEL

AFFIDAVIT

All-1 Depth per Dist 4 = 165'

RECEIVED

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with KANSAS CORPORATION COMMISSION
It is agreed that the following minimum requirements will be met:

JUL 26 2004

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 casing **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: 7/14/04 Signature of Operator or Agent: John Sanders Title: Owner/Operator

For KCC Use ONLY
API # 15 - 023-20583-00-00
Conductor pipe required NONE feet
Minimum surface pipe required 165 feet per Alt. 1
Approved by: RJP 7-15-04 / RJP 7-26-04 / RJP 7-3-04
This authorization expires: 1-15-05
(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

34742W