

For KCC Use: 1-22-2001  
Effective Date: \_\_\_\_\_  
District # A  
SGA?  Yes  No

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

Form C-1  
September 1999  
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

Expected Spud Date January 16, 2001  
month day year

Spot 20' W of  
C S2 S2 SE Sec. 8 Twp. 4 S. R. 40  East  West  
330 feet from ⊖ / N (circle one) Line of Section  
1340 feet from ⊕ / W (circle one) Line of Section  
Is SECTION  Regular  Irregular?

OPERATOR: License# 31609  
Name: Priority Oil & Gas LLC  
Address: 633 17th St., Ste 1520  
City/State/Zip: Denver, CO 80202  
Contact Person: Robbie Gries  
Phone: 303-296-3435

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

County: Cheyenne  
Lease Name: Lauer Trust Well #: 1-8

CONTRACTOR: License# 8273  
Name: Excell Drilling Company

Field Name: Cherry Creek  
Is this a Prorated / Spaced Field?  Yes  No

Well Drilled For:	Well Class:	Type Equipment:
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield
<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
<input type="checkbox"/> GWO	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic; # of Holes	<input type="checkbox"/> Other	<input type="checkbox"/> Cable
<input type="checkbox"/> Other		

Target Formation(s): Niobrara  
Nearest Lease or unit boundary: 1293' to west

Ground Surface Elevation: 3460 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: 250' 150'

Depth to bottom of usable water: 150' 250'

Surface Pipe by Alternate:  1  2

Length of Surface Pipe Planned to be set: 300'

Length of Conductor Pipe required: none

Projected Total Depth: 1600

Formation at Total Depth: Niobrara

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: \_\_\_\_\_

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 #: \_\_\_\_\_

**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: 1-11-01 Signature of Operator or Agent: [Signature] Title: Op. Mgr.

For KCC Use ONLY
API # 15 - <u>023-20389-0000</u>
Conductor pipe required <u>NONE</u> feet
Minimum surface pipe required <u>300</u> feet per Alt. <u>(1)</u>
Approved by: <u>JK 1-17-2001</u>
This authorization expires: <u>7-17-2001</u>
(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.

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KANSAS CORPORATION COMMISSION  
JAN 16 2001

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

CONSERVATION DIVISION

**IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW**

*Plat of acreage attributable to a well in a prorated or spaced field*

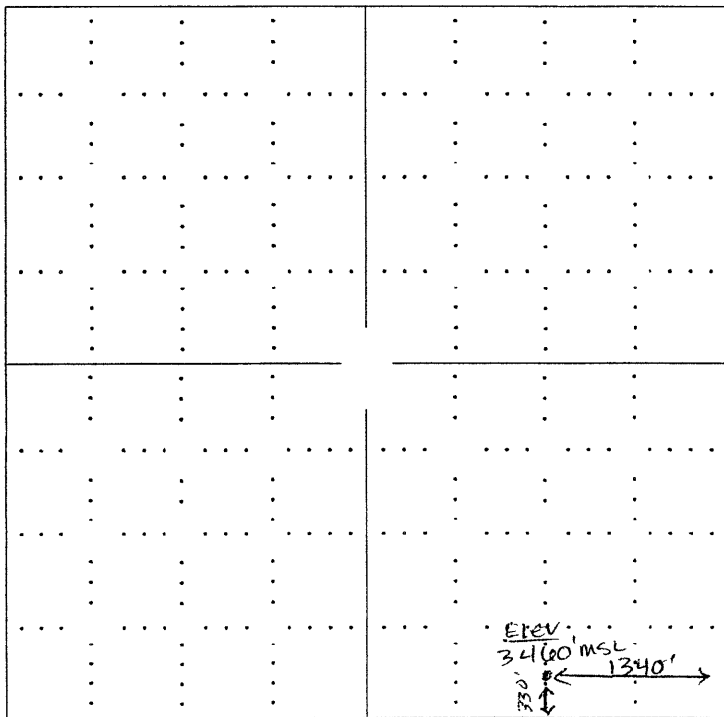
**If the intended well is in a prorated or spaced field, please fully complete this side of the form.** If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. 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 - \_\_\_\_\_  
Operator: \_\_\_\_\_  
Lease: \_\_\_\_\_  
Well Number: \_\_\_\_\_  
Field: \_\_\_\_\_  
Number of Acres attributable to well: \_\_\_\_\_  
QTR / QTR / QTR of acreage: \_\_\_\_\_

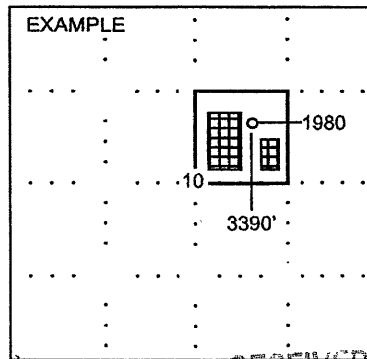
Location of Well: County: \_\_\_\_\_  
\_\_\_\_\_ feet from S / N (circle one) Line of Section  
\_\_\_\_\_ feet from E / W (circle one) Line of Section  
Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  East  West  
Is Section \_\_\_\_\_ Regular or \_\_\_\_\_ Irregular  
If Section is Irregular, locate 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.)*



LAWER TRUST 1-8  
330 fsl 1340 fsl  
Elev. 3460' msl



SEWARD CO.

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JAN 16 2001

**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 surrounding sections, 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: (CO-7 for oil wells; CG-8 for gas wells).

CONSERVATION DIVISION  
KANSAS