

JAN 30 2003

Form C-1  
September 1999

For KCC Use:  
Effective Date: 2-4-03  
District # 4  
SGA?  Yes  No

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

Form must be Typed  
Form must be Signed  
All blanks must be Filled  
WICHITA, KS

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

A 55' N & 105' W of

Expected Spud Date February 1, 2003  
month day year

Spot  
NE - SW - SE Sec. 1 Twp. 5  East  
 West  
1045 feet from  S /  N (circle one) Line of Section  
1755 feet from  E /  W (circle one) Line of Section  
Is SECTION  Regular  Irregular?

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

(Note: Locate well on the Section Plat on reverse side)  
County: Cheyenne  
Lease Name: Holzwarth Well #: 7-1  
Field Name: Cherry Creek

CONTRACTOR: License# 8273  
Name: Excell Drilling Co.

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

Nearest Lease or unit boundary: 1045' FSL  
Ground Surface Elevation: 3605 feet MSL

Water well within one-quarter mile:  Yes  No  
Public water supply well within one mile:  Yes  No

If OWWO: old well information as follows:  
Operator: \_\_\_\_\_  
Well Name: \_\_\_\_\_  
Original Completion Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

Depth to bottom of fresh water: 150'  
Depth to bottom of usable water: 250'

Directional, Deviated or Horizontal wellbore?  Yes  No  
If Yes, true vertical depth: \_\_\_\_\_  
Bottom Hole Location: \_\_\_\_\_  
KCC DKT #: \_\_\_\_\_

Surface Pipe by Alternate: X 1 2  
Length of Surface Pipe Planned to be set: 300'

Length of Conductor Pipe required: none  
Projected Total Depth: 1800'

Formation at Total Depth: Niobrara  
Water Source for Drilling Operations:  
Well \_\_\_\_\_ Farm Pond X Other \_\_\_\_\_

DWR Permit #: \_\_\_\_\_  
(Note: 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 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: 1-28-03 Signature of Operator or Agent: [Signature] Title: Office Manager

For KCC Use ONLY  
API # 15 - 023-20473-0000  
Conductor pipe required NONE feet  
Minimum surface pipe required 300 feet per Alt. 1  
Approved by: RJP 1-30-03  
This authorization expires: 7-30-03  
(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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S  
42w

JAN 30 2003

**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: Holzwarth  
Well Number: 7-1  
Field: Cherry Creek

Number of Acres attributable to well: \_\_\_\_\_  
QTR / QTR / QTR of acreage: NE - SW - SE

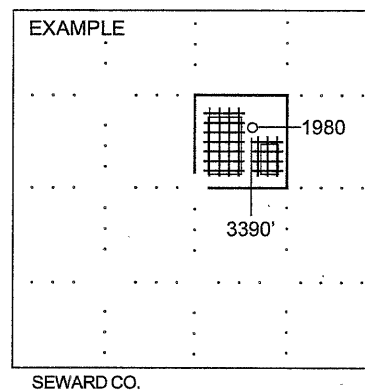
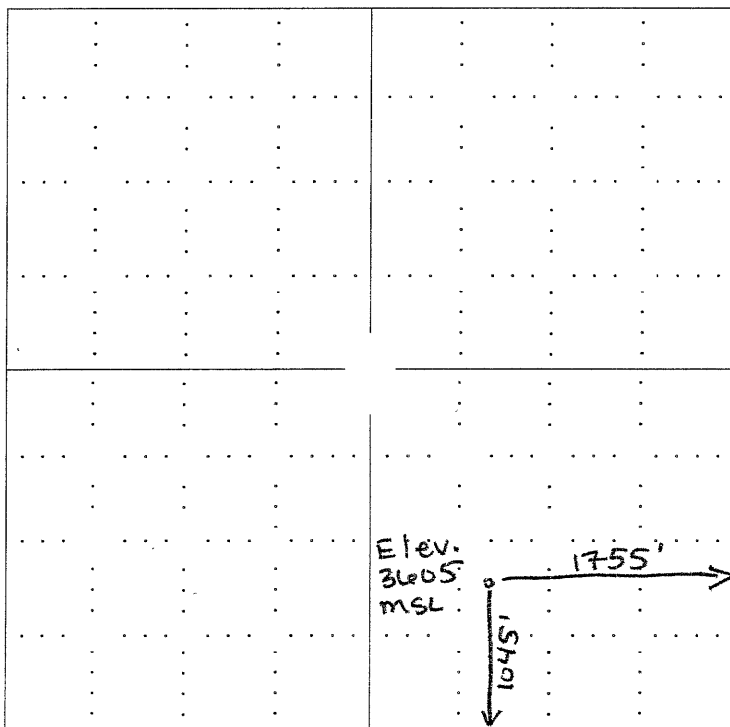
Location of Well: County: Cheyenne  
1045 feet from S / N (circle one) Line of Section  
1755 feet from E / W (circle one) Line of Section  
Sec. 1 Twp. 5 S. R. 42  East  West

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.)*



**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 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).