

For KCC Use: 12.5.05
 Effective Date: _____
 District # _____
 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

Expected Spud Date December 11, 2005
 month day year

Spot AP
w/2. e/2 SW Sec. 7 Twp. 19 S. R. 33
 East
 West
1300 feet from N / S Line of Section
1700 feet from E / W Line of Section

OPERATOR: License# 31819
 Name: Cholla Production, LLC
 Address: 1641 California St., #300
 City/State/Zip: Denver, CO 80202
 Contact Person: Emily Hundley-Goff
 Phone: 303-808-4268

RECEIVED
KANSAS CORPORATION COMMISSION
NOV 30 2005
CONSERVATION DIVISION
WICHITA, KS

SECTION Regular Irregular?

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

CONTRACTOR: License# 33375
 Name: Cheyenne Drilling, LP

County: Scott
 Lease Name: Shortbread Well #: 1-7
 Field Name: not applicable

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

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Lansing, Marmaton, Morrow

Nearest Lease or unit boundary: 1300 feet

Ground Surface Elevation: 3003.55 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: 110 feet

Depth to bottom of usable water: 1300 feet

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 350 feet

Length of Conductor Pipe required: none required

Projected Total Depth: 5000 feet

Formation at Total Depth: Mississippian

Water Source for Drilling Operations:

Well Farm Pond Other _____

DWR Permit #: application in progress

(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 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: November 22, 2005 Signature of Operator or Agent: Emily Hundley-Goff Title: Owner/Manager

For KCC Use ONLY
 API # 15 - 171-20609-00-00
 Conductor pipe required NONE feet
 Minimum surface pipe required 200 feet per Alt. → ②
 Approved by: JP 11-30-05
 This authorization expires: 5-30-06
 (This authorization void if drilling not started within 6 months of approval 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: _____

7
19
330

CONSERVATION DIVISION **IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW**
 WICHITA, KS

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.

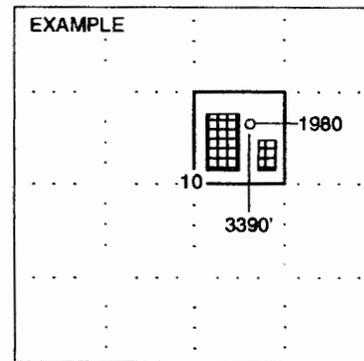
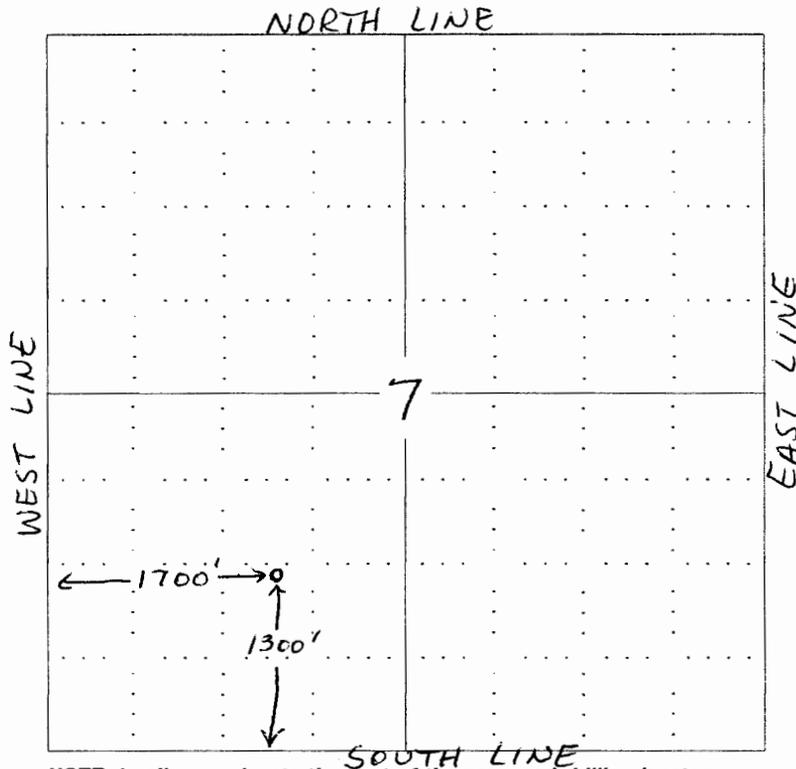
API No. 15 - _____
 Operator: Cholla Production, LLC
 Lease: Shortbread
 Well Number: 1-7
 Field: not applicable
 Number of Acres attributable to well: not spaced
 QTR / QTR / QTR of acreage: NW - SE - SW

Location of Well: County: Scott
 1300 _____ feet from N / S Line of Section
 1700 _____ feet from E / W Line of Section
 Sec. 7 Twp. 19 S. R. 33 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.)*



SEWARD CO.

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).