

For KCC Use: 4-29-06
Effective Date: 4
District # 4
SGA? Yes No

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

RECEIVED
APR 29 2006

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 work

KCC WICHITA

Expected Spud Date 05 01 2006
month day year

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 and Well # 33421 ✓
Name: Poe Servicing, Inc. # 3152

Spot East
NW - SE - NW Sec. 20 Twp. 4 S. R. 41 West
1580' feet from N / S Line of Section
1670' feet from E / W Line of Section
Is SECTION Regular Irregular?

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

County: CHEYENNE
Lease Name: ADAMS-MCATEE Well #: 10-20
Field Name: CHERRY CREEK NIOBRARA GAS AREA

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Niobrara

Nearest Lease or unit boundary: 350' FWL
Ground Surface Elevation: 3414' 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: 35'
Depth to bottom of usable water: 35'

Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 100'

Length of Conductor Pipe required: none
Projected Total Depth: 1345'

Formation at Total Depth: _____
Water Source for Drilling Operations:
 Well Farm Pond Other Pond Water

DWR Permit #: _____
(Note: Apply for Permit with DWR)

Will Cores be taken? Yes No
If Yes, proposed zone: _____

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 checked="" type="checkbox"/> Mud Rotary
<input type="checkbox"/> OWWO	<input type="checkbox"/> Disposal	<input checked="" type="checkbox"/> Air Rotary
<input type="checkbox"/> Seismic; # of Holes _____	<input type="checkbox"/> Wildcat	<input type="checkbox"/> Cable
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other	

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: 04/20/2006 Signature of Operator or Agent: Richard A. Miller Title: Owner/Operator

For KCC Use ONLY
API # 15 - 023-20679-0000
Conductor pipe required None feet
Minimum surface pipe required 100 feet per Alt. (1)
Approved by: R.H. 4-29-06
This authorization expires: 10-24-06
(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: _____

20
4
M/H

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

RECEIVED

APR 21 2006

KCC WICHITA

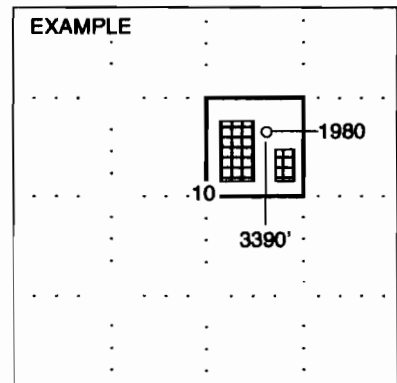
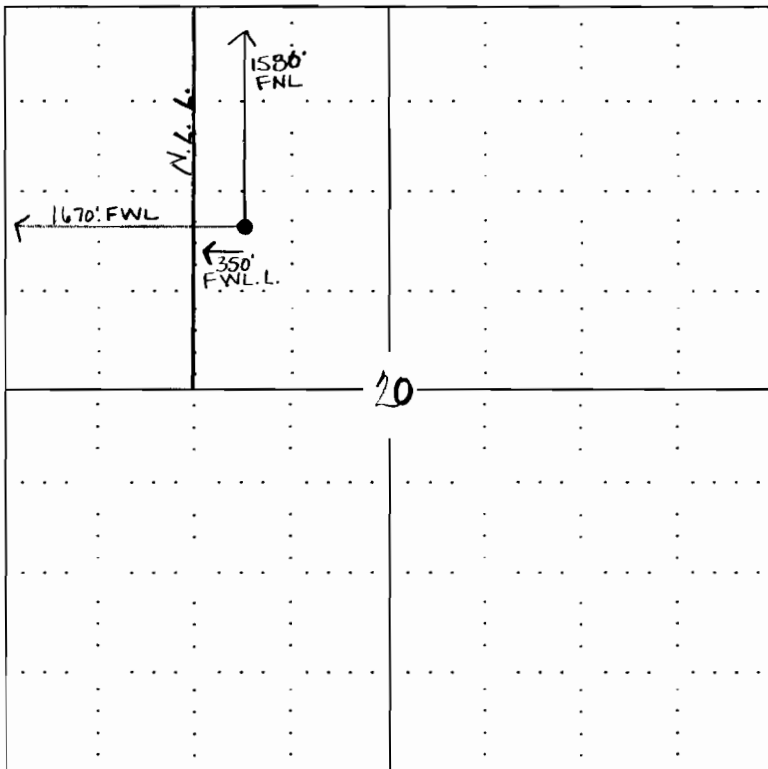
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 - 023-20679-0000
Operator: Lobo Production, Inc.
Lease: ADAMS-MCATEE
Well Number: 10-20
Field: CHERRY CREEK NIOBRARA GAS AREA
Number of Acres attributable to well:
QTR / QTR / QTR of acreage: NW - SE - NW

Location of Well: County: CHEYENNE
1580' feet from N / S Line of Section
1670' feet from E / W Line of Section
Sec. 20 Twp. 4 S. R. 41 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;

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE POND

RECEIVED
APR 21 2006
KCC WICHITA

Form CDP-1
January 2001
Form must be Typed

Submit in Duplicate

Operator Name: Lobo Production, Inc.		License Number: 30282
Operator Address: 6715 Road 22, Goodland, KS 67735		
Contact Person: John Sanders		Phone Number: (785) 899 - 5684
Lease Name: ADAMS-MCATEE 10-20		Pit Location:
Type of Pond: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Treatment Pit <input type="checkbox"/> Workover Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Burn Pit (If WP Supply API No. or Year Drilled) _____	NW Qtr. Sec. 20 Twp. 4 R. 41 <input type="checkbox"/> E <input checked="" type="checkbox"/> W 1580' Feet from (N) S (circle one) Line of Section 1670' Feet from E (W) (circle one) Line of Section CHEYENNE County	
Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 100-150 (bbls)		
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l (For Emergency Pits and Treatment Pits only)
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used?
Pit dimensions (all but working pits): 20 Length (feet) 6 Width (feet) Depth from ground level to deepest point: 6 (feet)		
If the pit is lined give a brief description of the liner material, thickness and installation procedure. _____ _____ _____		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. _____ _____ _____
Distance to nearest water well within one-mile of pit 1910 feet Depth of water well 26 feet		Depth to shallowest fresh water 50-100 16 feet. / Source of information: JR-KGS <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> KDWR
Emergency, Treatment and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pond? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling and Workover Pits ONLY: Type of material utilized in drilling/workover: Gel / Bentonite Number of working pits to be utilized: 1 Abandonment procedure: Evaporate and Cover _____ Drill pits must be closed within 365 days of spud date.
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.		
04/20/2006 Date		<i>Richard A. Miller</i> Signature of Applicant or Agent

15-023-20679-0000

KCC OFFICE USE ONLY			
Date Received: 4/21/06	Permit Number: _____	Permit Date: 4/21/06	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No