

EFFECTIVE DATE: 3-31-91

NOTICE OF INTENTION TO DRILL

ALL BLANKS MUST BE FILLED

Must be approved by the K.C.C. five (5) days prior to commencing well

CORRECTION

Expected Spud Date March 31 1991 * APPRX. NE SW Sec 15 Twp 8 S, Rg 18 X East West

OPERATOR: License # 04981
Name: Cholla Resources, Inc.
Address: 1641 Calif. St., Suite 300
City/State/Zip: Denver, CO 80202
Contact Person: Bill Goff
Phone: (303)-623-4565

* 2090 feet from South line of Section
* 3140 feet from East line of Section
(Note: Locate well on Section Plat on Reverse Side)

CONTRACTOR: License #: 8241
Name: Emphasis Oil Operations

County: Rooks
Lease Name: Kriley Well #: 1-15
Field Name: Unknown
Is this a Protected Field? yes X no
Target Formation(s): Arbuckle
Nearest lease or unit boundary: 330
* Ground Surface Elevation: 1962 feet MSL
Domestic well within 330 feet: yes X no
Municipal well within one mile: yes X no
Depth to bottom of fresh water: 100'
Depth to bottom of usable water: 860'
Surface Pipe by Alternate: 1 X 2
Length of Surface Pipe Planned to be set: 200'
Length of Conductor pipe required: N/A
Projected Total Depth: 3650'
Formation at Total Depth: Arbuckle
Water Source for Drilling Operations:
well X farm pond other
DWR Permit #: _____
Will Cores Be Taken?: yes X no
If yes, proposed zone: _____

Well Drilled For: Well Class: Type Equipment:
X Oil Inj X Infield X Mud Rotary
Gas Storage Pool Ext. Air Rotary
OWWO Disposal Wildcat Cable
Seismic; # of Holes

If OWWO: old well information as follows:
Operator: _____
Well Name: _____
Comp. Date: _____ Old Total Depth _____

Directional, Deviated or Horizontal wellbore? yes X no
If yes, total depth location: _____

WAS: SE SW; 2120 FSL; 3190 FEL;
Elev = 1960

AFFIDAVIT IS: NE SW; 2090 FSL; 3140 FEL;
Elev = 1962

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. The appropriate district office shall be notified before setting surface pipe;
2. The minimum amount of surface pipe as specified above 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;
3. If the well is dry, a plugging proposal shall be submitted to the district office. An agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
4. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
5. 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: 6-25-91 Signature of Operator or Agent: Robert M. Whitton Title: Vice President
Cholla Resources, Inc.

RECEIVED
STATE CORPORATION COMMISSION
JUN 27 1991
06-27-1991
CONSERVATION DIVISION
Wichita, Kansas

FOR KCC USE:
API # 15-163-23 157-00-00
Conductor pipe required None feet
Minimum surface pipe required 300 feet per Alt. 2
Approved by: MBW 6-28-91; Aug 3-26-91
EFFECTIVE DATE: 3-31-91 9-26-91
This authorization expires: _____
(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.

15
8
1800

1
11-12-8
-PLAT OF ACREAGE ATTRIBUTABLE TO A WELL

State Corporation Commission, Conservation Division
200 Colorado Derby Bldg. Wichita, Kansas 67202

OPERATOR Cholla Resources, Inc.
LEASE Kriley
WELL NUMBER 1-15
FIELD _____

LOCATION OF WELL:
2090 feet north of SE corner
3140 feet west of SE corner
NE SW Sec. 15 T 8S R 18 E/W
COUNTY Rooks

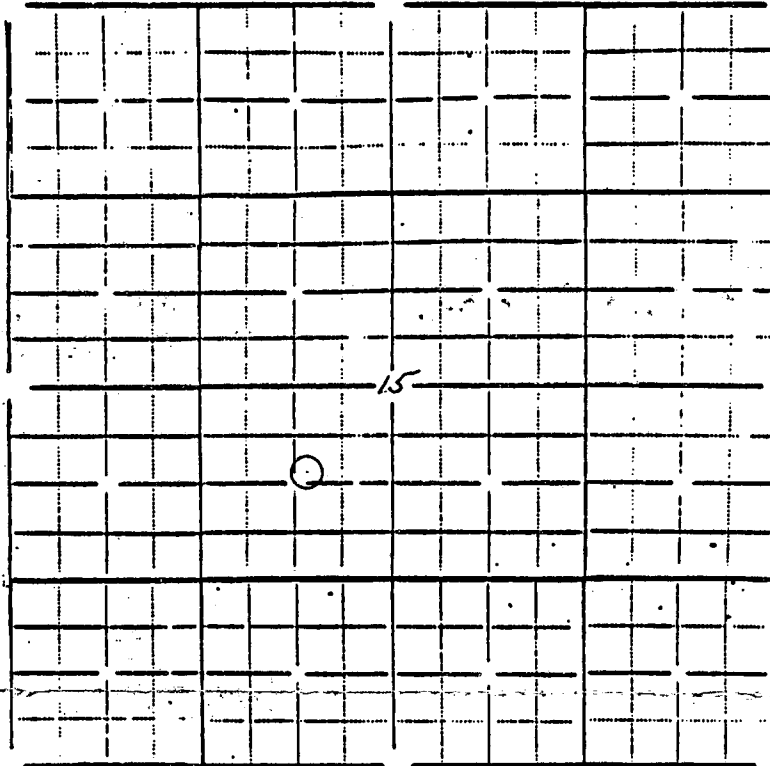
NO. OF ACRES ATTRIBUTABLE TO WELL 155

IS SECTION X REGULAR _____ IRREGULAR?
IF IRREGULAR, LOCATE WELL FROM NEAREST
CORNER BOUNDARY.

DESCRIPTION OF ACREAGE South 155 acres
of SW/4

NOTE: If plat depicted is insufficient for your circumstances, you may attach
your own scaled or surveyed plat.

PLAT



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 partial sections, 4 sections, 16 sections, etc.;
- 2) the well's location relative to the location of other wells producing from the same common source of supply in adjoining drilling units, pursuant to K.A.R. 82-3-108, 82-3-207, 82-3-312, or special orders of the Commission;
- 3) the distance of the proposed drilling location from the section's east and south lines; and
- 4) the distance to the nearest lease or unit boundary line.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Signature of Operator or Agent Robert M. Withers

Date 6-25-91 Title Vice President