

For KCC Use:
Effective Date: 8-13-08
District #: 4
SGA? [ ] Yes [x] No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form C-1
October 2007
All must be Typed
All must be Signed
All blanks must be Filled

NOTICE OF INTENT TO DRILL

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

Expected Spud Date: 08 month 13 day 08 year

OPERATOR: License# 33325
Name: Petroleum Development Corporation
Address 1: 1775 Sherman St, Suite 3000
Address 2:
City: Denver State: CO Zip: 80203
Contact Person: James Annable
Phone: 303-905-4340

CONTRACTOR: License# 33532
Name: Advanced Drilling Technologies

Well Drilled For: [ ] Oil [x] Gas [ ] Enh Rec [ ] Storage [ ] Disposal [ ] Seismic; # of Holes [ ] Other:
Well Class: [x] Infield [ ] Pool Ext. [ ] Wildcat [ ] Other
Type Equipment: [x] Mud Rotary [ ] Air Rotary [ ] Cable

Operator:
Well Name:
Original Completion Date: Original Total Depth:

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

\*WAS: N2NE 330'FNL, 660'FEL; Length of surface pipe: 330'
IS: NE-NENE 333'FNL, 610'FEL; " " " " : 300'

Spot Description: NE NE NE Sec. 34 Twp. 3 S. R. 42 [ ] E [x] W
[ ] 333 feet from [x] N / [ ] S Line of Section
[ ] 610 feet from [x] E / [ ] W Line of Section

Is SECTION: [ ] Regular [x] Irregular?

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

Lease Name: Rice Well #: 41-34
Field Name: Cherry Creek Niobrara Gas Area

Is this a Prorated / Spaced Field? [ ] Yes [x] No

Target Formation(s): Niobrara

Nearest Lease or Unit boundary line (in footage): 330'

Ground Surface Elevation: 3688' feet MSL

Water well within one-quarter mile: [ ] Yes [x] No

Public water supply well within one mile: [ ] Yes [x] No

Depth to bottom of fresh water: 250'

Depth to bottom of usable water: 250'

Surface Pipe by Alternate: [x] I [ ] II

\* Length of Surface Pipe Planned to be set: 280' 300'

Length of Conductor Pipe (if any): Not Required

Projected Total Depth: 1650'

Formation at Total Depth: Niobrara

Water Source for Drilling Operations: [ ] Well [ ] Farm Pond [ ] Other: x

DWR Permit #: Drilling Contractor will apply

(Note: Apply for Permit with DWR [x])

Will Cores be taken? [ ] Yes [x] 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 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 correct to the best of my knowledge and belief.

Date: 8/12/2008 Signature of Operator or Agent: [Signature] Title: Sr. Regulatory Consultant

For KCC Use ONLY
API # 15 - 023-21096-0000
Conductor pipe required None feet:
Minimum surface pipe required 300 feet per ALT. [x] I [ ] II
Approved by [Signature]
This authorization expires: 8-2-09
(This authorization void if drilling not started within 12 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 (within 60 days);
- 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 Date:
Signature of Operator or Agent:

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AUG 13 2008

CONSERVATION DIVISION

34 3 42 [ ] E [x] W

**CORRECTED**

**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 - 023-21096-0000

Operator: Petroleum Development Corporation

Lease: Rice

Well Number: 41-34

Field: Cherry Creek Niobrara Gas Area

Number of Acres attributable to well: \_\_\_\_\_

QTR/QTR/QTR/QTR of acreage:  NE  NE  NE

Location of Well: County: Cheyenne

333 feet from  N /  S Line of Section

610 feet from  E /  W Line of Section

Sec. 34 Twp. 3 S. R. 42  E  W

Is Section:  Regular or  Irregular

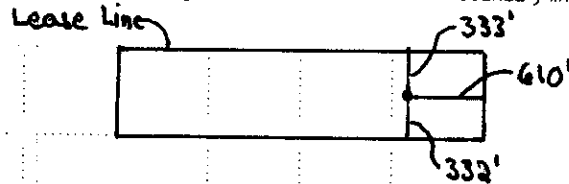
**If Section is Irregular, locate well from nearest corner boundary.**

Section corner used:  NE  NW  SE  SW

**PLAT**

*(Show location of the well and shade attributable acreage for prorated or spaced wells.)*

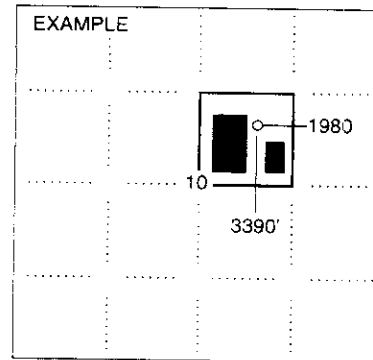
*(Show footage to the nearest lease or unit boundary line.)*



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WICHITA, KS



**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 south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
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).

15-023-21096-0000

# WELL LOCATION CERTIFICATE: RICE 41-34

SECTION 34, TOWNSHIP 3 SOUTH, RANGE 42 WEST, 6TH P.M.

NW SEC 34  
CALCULATED  
FROM NOTES

S 87°31'19" E 5244.75

NE SEC 34  
CALCULATED  
FROM NOTES

RICE 41-34

SURFACE LOCATION  
GROUND ELEVATION= 3688'  
NAD27  
LATITUDE= 39.75543  
LONGITUDE= 102.01403'

# 34

(BASIS OF BEARINGS) SEE NOTE 3  
N 03°16'30" E 5320.96'

NOTES:  
THIS IS A VERTICAL WELL.  
LAND SURFACE USE: PASTURE FIELD  
GPS OPERATOR: CHRIS PEARSON  
NO VISIBLE IMPROVEMENTS WITHIN 200'.

N 03°16'30" E 5320.96'

SW SEC 34  
3/4" BRASS CAP  
BLM

S 1/4 SEC 34  
3/4" BRASS CAP  
BLM

SE SEC 34  
FOUND 2 1/2"  
PIPE

N 87°29'34" W 2642.24'

N 87°33'25" W 2641.37'

WELL RICE 41-34 TO BE LOCATED 333' FNL AND 610' FEL, SECTION 34, T3S, R42W OF THE 6th P.M

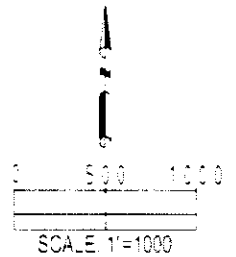
NOTES:

- THIS SURVEY WAS DONE BY GPS METHODS (PDOP VALUE IS LESS THAN 6.0; LATITUDE AND LONGITUDE ARE ACCURATE TO 5 DECIMAL PLACES, AND GPS OBSERVATIONS ARE DIFFERENTIAL AND DONE BY QUALIFIED PERSONNEL.)
- ELEVATIONS SHOWN AT THE WELL HEAD, AS WELL AS HORIZONTAL CONTROL, ARE BASED ON GPS-RTK VALUES DERIVED FROM DOING 2-HOUR STATIC GPS SESSIONS AND REDUCTIONS USING O.P.J.S. SOLUTIONS  
VERTICAL = NAVD88. HORIZONTAL = NAD83/92
- THE BEARINGS SHOWN HEREON ARE BASED ON GPS OBSERVATIONS BETWEEN THE MONUMENTS SHOWN HEREON AS FOUND ON THE FIELD DATE BELOW (KANSAS NORTH ZONE)
- DISTANCES SHOWN ARE AT GROUND LEVEL, AS MEASURED IN THE FIELD, WITH TIES TO WELLS MEASURED AT A PERPENDICULAR TO SECTION LINES
- SURVEY WAS DONE FOR PETROLEUM DEVELOPMENT CORPORATION.

LEGEND

- = EXISTING MONUMENT    ◆ = BOTTOM HOLE    B-H = BOTTOM HOLE
- = PROPOSED WELL       ◆ = EXISTING WELL

NOTE: LATITUDE AND LONGITUDE SHOWN WERE CONVERTED FROM NAD83 USING CORPSSGN 6.0 (PROGRAM). PFS DOES NOT WARRANT OR GUARANTEE THEIR ACCURACY.



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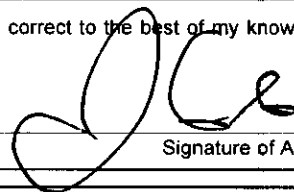
	DATE SURVEYED	08-07-08	WELL NAME	RICE 41-34
	DATE OF FIELD	08-08-08	COUNTY	CHEYENNE COUNTY, KANSAS
	BY	CP	SECTION	NE 1/4 NE 1/4, SEC. 34 T3S, R42W

**KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
APPLICATION FOR SURFACE PIT**

Form CDP-1  
April 2004  
Form must be Typed

**CORRECTED**

*Submit in Duplicate*

Operator Name: <b>Petroleum Development Corporation</b>		License Number: <b>33325</b>	
Operator Address: <b>1775 Sherman St, Suite 3000</b>		<b>Denver CO 80203</b>	
Contact Person: <b>James Annable</b>		Phone Number: <b>303-905-4340</b>	
Lease Name & Well No.: <b>Rice 41-34</b>		Pit Location (QQQQ): _____ <b>N2 NE NE</b> _____ Sec. <b>34</b> Twp. <b>3</b> R. <b>42</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>333</b> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <b>610</b> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <b>Cheyenne</b> County	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i>		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: <b>1,200</b> (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
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? <b>Natural Clay/Bentonite</b>	
Pit dimensions (all but working pits): <u>50</u> Length (feet) <u>30</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>6</u> (feet) <input type="checkbox"/> No Pit			
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 <u>3400</u> feet    Depth of water well <u>216</u> feet		Depth to shallowest fresh water <u>177</u> feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> KDWR	
<b>Emergency, Settling and Burn Pits ONLY:</b> 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 pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: <u>Bentonite mud</u> Number of working pits to be utilized: <u>1</u> Abandonment procedure: <u>Evaporation/backfill</u> 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.		RECEIVED KANSAS CORPORATION COMMISSION	
<u>8/12/2008</u> Date	 Signature of Applicant or Agent		AUG 13 2008 CONSERVATION DIVISION WICHITA, KS
<b>KCC OFFICE USE ONLY</b>			
Date Received: <u>8/13/08</u> Permit Number: _____		Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>	
Permit Date: <u>8/13/08</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

15-023-210916-0000