November 10, 2004

Expected Spud Date __________ 32977
OPERATOR: Licensed
Name: Dorado Gas Resources LLC
Address: 14550 East Easter Ave., Ste 1000
City/State/Zip: Centennial, CO 80112
Contact Person: Steven Tedesco
Phone: 720-888-0510

Name, McGowan Drilling
CONTRACTOR: License # 5786

Well Drilled For: Oil
Well Class: Enh Rec
Type Equipment: Mud Rotary

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

Directional, Deviated or Horizontal wellbore? Yes [ ] No [x]
If Yes, true vertical depth: _______________________

Bottom Hole Location:

KCC DKT #: 10-26-04

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL
Must be approved by KCC five (5) days prior to commencing well

Spot 80 36 26 17 East
Nw Se S E W

1980 feet from N L S
1980 feet from E W

Is SECTION Regular [ ] Irregular [x]
(Note: Locate well on the Section Plat on reverse side)

County: Allen
Lease Name: Isle Well #: 10-36-04
Field Name: Humboldt-Chanute
Target Formation (s): Cattlemen and Squirrel sandstones
Nearest Lease or unit boundary: 650 feet from west and 660 from north
Ground Surface Elevation: 942
Water well within one-quarter mile: Yes [ ] No [x]
Public water supply well within one mile: Yes [ ] No [x]
Depth to bottom of fresh water: 150
Depth to bottom of usable water: 200

Surface Pipe by Alternate: No [x] Yes [ ]
Length of Surface Pipe Planed to be set: ______________ feet
Length of Conductor Pipe required: -------------------------
Projected Total Depth: 1150’
Formation at Total Depth: Mississippian
Water Source for Drilling Operations: Well [x] Farm Pond [ ] Other...

DWR Permit #: _______________________

Will Cores be taken? Yes [x] No [ ]
(Note: Apply for Permit with DWR)
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 to the best of my knowledge and belief.

Date: _______________________
Signature of Operator or Agent: _______________________
Title: Manager of Geology

For KCC Use ONLY
API # 15 001-29319.00.00
Conductor pipe required NONE __________ feet
Minimum surface pipe required 20 __________ feet per Alt. + 0
Approved by RSP# 10-21.04 421.05
This authorization expires: 2005
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _______________________
Agent: _______________________

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

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 chart 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 the address below.
- Well Not Drilled - Permit Expired
- Signature of Operator or Agent: _______________________
- Date: _______________________

26 17E

26 17E
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: Dorado Gas Resources LLC
Lease: __________________________
Well Number: 10-36--
Field: Humboldt-Chanute

Number of Acres attributable to well: 80
QTR / QTR / QTR of acreage: _______ Nw _______ Se

Location of Well: County: Allen
1980 feet from N / ✓ S Line of Section
1980 feet from E / ✓ W Line of Section
Sec. 36 Twp. 26 S. R. 17 ✓ East □ West
Is Section: ✓ Regular or □ Irregular

If Section is Irregular, locate well from nearest corner boundary.
Section corner used: NE □ NW □ SE □ SW

(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: (CG-7 for oil wells; CG-8 for gas wells).