NOTICE OF INTENT TO DRILL

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

For KCC Use: 10-26-04
Effective Date: 2
District #: 
SGA? Yes No

Expected Spud Date: November 1, 2004

OPERATOR: License# 32977
Name: Dorado Gas Resources LLC
Address: 14550 East Easter Ave., Ste 1000
City/State/Zip: Centennial, CO 80112
Contact Person: Steven Tedesco
Phone: 720-889-0510

CONTRACTOR: License# 32854
Name: Gullick Drilling

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

If OWWO: old well information as follows:
Operator: 
Well Name: 
Original Completion Date: 
Original Total Depth: 
Directional, Deviated or Horizontal well?: Yes No
Bottom Hole Location: 
KCC DKT: 

Spud Spot: N2 / N2
Sec. 30
Twp. 30
S. R. 8

Is SECTION Regular Yes No
Irregular?

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

County: Cowley
Lease Name: Ferguson Ranch
Well #: 4-30
Field Name: Wildcat
Target Formation(s): Arbuckle
Nearest Lease or unit boundary:
7128 FWL 1980 ft

Ground Surface Elevation: 1430

Surface Pipe by Alternate: Yes No

Length of Surface Pipe Planned to be set: 450 feet

Length of Conductor Pipe required: None

Projected Total Depth: 3300'

Formation at Total Depth:
Arbuckle

Water Source for Drilling Operations:
Well Farm Pond
Other

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

Will Cores be taken?
Yes 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 to the best of my knowledge and belief.

Date: October 19, 2004
Signature of Operator or Agent: 
Title: Manager of Geology

For KCC Use ONLY

API #: 035-24204.00.00
Conductor pipe required feet
Minimum surface pipe required feet per Alt. 
Approved by RSP10-21.04
This authorization expires: 421-05
(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

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 Drilled - Permit Expired
Signature of Operator or Agent: 
Date: 30-20-04
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 unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage unit for oil wells.

API No. 15 -
Operator: Dorado Gas Resources LLC
Lease: Ferguson Ranch
Well Number: 4-30
Field: wildcat
Number of Acres attributable to well: 80
QTR / QTR / QTR of acreage: N/2, N/2

Location of Well: County: Cowley
660 feet from S Line of Section
7128 feet from E W Line of Section
Sec. 30 Twp. 30 S. R. 6

Is Section: Regular or Irregular

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

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).