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

For KCC Use:
Effective Date: 10-31-04
District #: 3
SGA: [ ] Yes [X] No

Expected Spud Date: November 10, 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: 720-889-5010

CONTRACTOR: License#: 5786
Name: McGowan Drilling

Well Drilled For:
[ ] Oil
[ ] Enh Rec
[ ] Gas
[ ] Storage
[ ] WQO
[ ] Disposal
[ ] Seismic:
[ ] # of Holes
[ ] Other:

Well Class:
[ ] Infield
[ ] Pool Ext.
[ ] Wildcat
[ ] Cable

Type Equipment:
[ ] Mud Rotary
[ ] Air Rotary
[ ] WSP
[ ] Other:

Spot:

Well:

Section:

Twp.:

Sec.:

R.

S.:

W.:

N.:

E.:

Is SECTION [ ] Regular [ ] Irregular:

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

County:

 Lease Name:

Field Name:

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

Target Formation(s):

Nearest Lease or unit boundary:

Ground Surface Elevation:

Water well within one-quarter mile:

Public water supply well within one mile:

Depth to bottom of fresh water:

Depth to bottom of usable water:

Surface Pipe by Alternate:

Length of Surface Pipe Planned to be set:

Length of Conductor Pipe required:

Projected Total Depth:

Formation at Total Depth:

Water Source for Drilling Operations:

DWR Permit #:

If Yes, proposed zone:

Will Cores be taken:

Date of Affidavit:

Signature of Operator or Agent:

Title:

Remember to:

- File Drill Per 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 writtenapproval 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.

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

KCC 25 Oct 2004

KCC WICHITA

RECEIVED

October 19, 2004

Signature of Operator or Agent:

Title:

Manager of Geology

For KCC Use ONLY

API #: 001-29418-00-00

Conductor pipe required: None
Minimum surface pipe required: 20 feet per Alt

Approved:

KSP10-26-04

This authorization expires: 4-26-05

(For KCC use only: void if drilled within 6 months of effective date.)
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: Markham
Well Number: 8-36-CBM
Field: Humboldt-Chanute

Location of Well: County: Allen
1980 feet from ✓ N / ✓ S Line of Section
740 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

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; CG-8 for gas wells).