NOTICE OF INTENT TO DRILL

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

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

February 1, 2005

Expected Spud Date: 10-18-04

For KCX Use:
Effective Date: 10-18-04

District: 1

SGST: Yes No

OPERATOR: Licensee 31725

Name: Shelby Resources, LLC

Address: 5933 Saddle Creek Trail

City/State/Zip: 10934

Contact Person: Jim Waechter

Phone: 303-860-2163

CONTRACTOR: Licensee 33550

Name: Southwind Drilling, Inc.

Well Drilled For:

Well Class:

Type Equipment:

- Gas Storage
- Pool Ext.
- GWID Disposal
- Waterbask
- Other

If OMWO: old well information as follows:

Operator:

Well Name:

Original Completion Date: 
Original Total Depth:

Directional, Deviated or Horizontal wellbore? Yes No

If Yes, true vertical depth:

Bottom Hole Location:

KCC DTK:

APIS: 23279.00-00

Conductor pipe required: None

Minimum surface pipe required: 120 feet

Approved by:

This authorization expires:

(End authorization voids oil drilling not started within 6 months of effective date)

Signature of Operator or Agent:

Date: 01-20-05

Mail to: KCC - Conservation Division, 130 S. Market - Room 207A, Wichita, Kansas 67202

FOR KCC USE ONLY

API No. 1584

Minimum surface pipe required: 240 feet

This authorization expires:

(End authorization voids oil drilling not started within 6 months of effective date)

Signature of Operator or Agent:

Date: 01-20-05

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FORM C-1
December 2004

For complete application (Form COP-1) with intent to drill;

For Completion Form COP-1 within 120 days of spud date;

For acreage allocation plan according to field promotion order;

Notify appropriate district office 48 hours prior to workover or re-entry;

Submit plugging report (CP-H) after plugging is completed;

Obtain written approval before disposing or reusing 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

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Date: 01-20-05

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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: Shelby Resources, LLC
Lease: Rose
Well Number: 1
Field: Max
Number of Acres attributable to well: C , SW
QTR / QTR / QTR of acreage: 35

Location of Well: County: Stafford
1420 feet from line of Section
1379 feet from line of Section
Sec. 35, Twp. 21, S. R. 12
35

Is Section: Regular or Irregular
If Section is Irregular, locate well from nearest corner boundary.
Sector 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.)

CORRECTED
DECK WELLS
ANDRIAN DECKMAN, COMMISSIONER
JAN 4, 2005
WICHITA FALLS

EXAMPLE

NOTE: In all cases locate the spot of the proposed drilling location.

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 (CD7 for oil wells; CG-8 for gas wells).