KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

Form C-1
December 3020
Form must be Typed
Form must be Signed
All blanks must be Filled

Expected Spud Date: February 28, 2005

OPERATOR: License No. 32964
Name: Gilbert-Stern Operating LLC
Address: 1901 Broadway Suite 450
City/State/Zip: Denver, CO 80202
Contact: Kent L. Gilbert
Phone: 303-544-1688

CONTRACTOR: License No. 33350
Name: Southeastern Drilling

Well Drilled For: [ ] Oil [ ] Gas [ ] Other [ ] Well # 2
Type of Equipment: [ ] LD [ ] SD [ ] MD [ ] RD [ ] Other

Well Depth: [ ] Emt. Rec. [ ] Prod. Rec. [ ] Prod. Ext. [ ] Other
[ ] MWD [ ] Other
[ ] Cased [ ] Widetrack

Surface: [ ] Field [ ] # of Home sites [ ] Other
[ ] Surface or Horizontal well: [ ] Yes [ ] No

If Yes, was vertical depth: [ ] Yes [ ] No

Original Completion Date: [ ] Original Total Depth: [ ]

Directional, Inclined or Horizontal wells: [ ]

Without permission of the following:
[ ] Yes [ ] No

KCC DKT #: FEB 28 2005

CONSERVATION DIVISION

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-25 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; it is these surface pipes shall be set for the well of all uncovered 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 plugging length and placement is necessary prior to plugging;
5. The appropriate district office will be notified before well is either plugged or produced if cementing is completed;
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 #210.094-1, which applies in 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: 2-25-05
Signature of Operator or Agent: [ ]

Remember to:
- File DRR written application (copy 1) with Intent to Drill;
- File Completion Form KCC-1 within 120 days of spud date;
- File surface plugging plan according to field procedure orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-2) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.
- If this permit has expired (Field authorized expiration date) please check the box below and return to the address below.

Well Ext Drilled - Permit Expired

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202
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: ____________________________ Location of Well: County: Russell
Operator: Gilbert-Stewart Operating LLC 2121' feet from N / B Line of Section
Lease: LNG 5098' feet from E / W line of Section
Well Number: J  Sec. 9
Field: Hall Gurney

Number of Acres attributable to well: 40 S. R. 12 E / West
QTR / QTR / QTR of acreage: SW , SE , NE

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 4 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: (CD-7 for oil wells; CD-6 for gas wells).