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 2002
Form must be Signed
All blanks must be Filled

Corrected

Date

5-8-05

Yes

No

Form C-1

Drill Site #

SOA# 4

MAY 6 2005

Name: Shelby Resources, LLC
Address: 5803 Saddle Creek Trail
Parker, CO 80134
Contact Person: Tim Washburn

Phone: 303-840-2183

Contractor: Licensed 33350
Name: Southwind Drilling Inc

(1-30-05)

Spot 1250

100W

52S

Sec 27

Twp 10

R 11

W

Well Drilled For:

Type

Well Class:

- Oil
- Ekh Rec
- Infield
- Mud Rod
- Gas
- Storage
- Pad Ext.
- Air Rod
- Water
- Disposal
- Wildcat
- Cable

Other:

If CWWO: old well information as follows:

Operator:

Well Name:

Well Completion Date:

Original Total Depth:

Directional: Deviation or Horizontal well?

Yes

No

Yes

No

Bottom Hole Location:

KCC DKT #:

*new unit information enclosed

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et seq.

AFFIDAVIT

Spot location was 1300' FSL & 2610' FEL

*lease name was Rugg-Dulan

*API# 15-003-24842-00-00

For KCC Use ONLY

API # 15

009-24842-00-00

Conductor pipe required: None

Minimum surface pipe required: 2500'

Approved: N/A

(06/13/05)

This authorization expires if drilling not started within 6 months of effective date.

Spud date: 06/05/05

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

Remember to:

- File Oil PR Application (from CDP-1) with intent to Drill.
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage assignment plot according to field valuation orders;
- Notify the oil district office 48 hours prior to worker or entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.

If this permit has expired (after authorized expiration only) please check the box below and return to the address above.

Well Not Drilled - Permit Expired

Signature of Operator or Agent

Date

27/20/05

Title: Agent

Signature of Operator or Agent

Date

27/20/05

Reprinted from KCC Notices of Intent to Drill
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 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells and within 1/4 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No.: 15
Operator: Shelby Resources, LLC
Lease: Doll-Rugan Unit
Well Number: 1
Field: Wicksat
Number of Acres attributable to well:
QTR / QTR / QTR of acreage: 70S 100W 95S

Location of Well: County: Barton
1250 feet from N / S Line of Section
2740 feet from E / W Line of Section
Sec. 27 Twp. 20 S. R. 11
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 (CG-7 for oil wells; CG-4 for gas wells).