KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

Must be approved by KCC by (6) days prior to commencing well

Form C-6
December 2002
Form must be Typed
All blanks must be Filled

For KCC Use Only

SGA?: No

District: 33175

Effective Date: 9.27.05

NAME: Southwind Drilling, Inc.

Address: 5933 Saddle Creek Trail

City/State/Country: Parker, CO 80134

Contact Person: Jim Waeker

Phone: 303-840-2183

Licensed (by whom?): 33350

License No.: 31725

OPERATOR:LICENSED:

Shelby Resources, LLC

16393 Saddle Creek Trail

Parker, CO 80134

CONTRACTOR: LICENSED:

Southwind Drilling, Inc.

For KCC Use ONLY

API: 15-189-23280-00-00

API # 15-189-23280-00-00

Date 09-21-05

Signature of Operator or Agent: Ramey Lauer

Title: Agent

For KCC Use ONLY

Conductor pipe required: NONE

Minimum surface area required: 2.40

Approved by: RSP 9.22.05

This authorization expires: 3.22.06

Small date: 2.23.06

Mail to: KCC - Conservation Division, 130 S. Market - Room 208, Wichita, Kansas 67202

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.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. Annual 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 unless drilled 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 in writing of the plugging of the well or production is terminated in it
6. If an Alternate I Completion, production pipe shall be cemented from bottom from any viable water to surface within 120 days of spud date

For KCC Use Only

Mail Not Drilled - Permit Expired

Signature of Operator or Agent:

Date: 09-21-05

Remember to:
- File Oil Pit Application (form CDP-4) with intake to Drk.
- File Completion Form ACC-1 within 120 days of spud date.
- File pressure distribution plot according to field production orders
- Notify appropriate district office 48 hours prior to wheekover or re-entry
- Submit plugging report (form CDP-4) after plugging is completed.
- Obtain written approval before disposing or reusing salt water.
- If this permit has expired (date on form or expiration date) please check the box below and return to the address below.

We certify that the statements made herein are true and to the best of our knowledge and belief.

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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. Plaques show all the wells and within 1/2 mile of the boundaries of the proposed acreage distribution unit for gas wells until within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15:
Operator: Shelby Resources, LLC
Lease: Hullman Trust
Well Number: 1
Field: Sand hills

Number of Acres attributable to well:
QTR / CYR / QTR of acreage: 56S 60W NE NW

<table>
<thead>
<tr>
<th>Location of Well</th>
<th>County</th>
<th>Stafford</th>
</tr>
</thead>
<tbody>
<tr>
<td>Line of Section</td>
<td>710</td>
<td>S</td>
</tr>
<tr>
<td>Sec.</td>
<td>36</td>
<td>21</td>
</tr>
<tr>
<td>Twp.</td>
<td></td>
<td>12</td>
</tr>
<tr>
<td>R.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>East / West</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Is Section: [ ] Regular or [ ] Irregular
If Section is Irregular, locate well from nearest corner boundary.
Section corners 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., 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: (C-7 for oil wells, C-8 for gas wells).
September 22, 2005

Mr. Jim Waechter
Shelby Resources, LLC
5893 Saddle Creek Trail
Parker, CO 80134

Re: Drilling Pit Application
Hullman Trust Lease Well No. 1
NW4 Sec. 36-21S-12W
Stafford County, Kansas

Dear Mr. Waechter:

This office has been informed that steel pits are to be used at the above referenced location. If a haul-off pit is necessary please file form CDP-1, Application for Surface Pit. This location will have to be inspected prior to approval of the haul-off pit application.

If fluids are taken to an authorized disposal well, please call the District Office at (620) 225-8888. Please file form CDP-5, Exploration and Production Waste Transfer, within 30 days of fluid removal.

Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms.

Sincerely,

Kathy Haynes
Environmental Protection and Remediation Department

KCC Conservation Division, Finney State Office Building, 1305 S. Market, Room 2078, Wichita, KS 67202-3802
Voice 316.337.0219 Fax 316.337.0211 www.kcc.state.ks.us