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

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

November 21, 2006

For KCC Date: 3-15-06
Effective Date: 3
District #: 3
SGAT: Yes

Noted Spud Date: 8-15-06

OPERATOR: Licenses: 5786

Name: McGown

Address: 14596 E. Peak Ave., Ste. 1000
City/State/Zip: Centennial, CO 80121
Contact: John McGown
Phone: 303-221-7016

CONTRACTOR: Licenses: 5786

McGown

Well Drilled For: Windmill

Oil Gas Storage Water Well Mutual Rotary

Well Class: Field Rotary Other

Pit Ext. Other

Mutual Rotary Air Rotary

Well # 0-0-0

Gas Storage Mutal Rotary

Dewatering Other

Depth: 20 feet

KCC OKT: Yes

Date: 3-15-06

Signature of Operator or Agent:

Received

KANSAS CORPORATION COMMISSION

MARC 6 2006

Conservation Division

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with the requirements of K.A.C.A.

1. Notify the appropriate district office prior to spudding of wells:

2. A copy of the approved notice of Intent to Drill shall be presented on each drilling rig:

3. The minimum amount of surface piping as specified below shall be set by circulating cement to the top:

4. If the well is to be a horizontal well, an agreement between the operator and the district office on plugging method and placement is necessary prior to spudding:

5. The appropriate district office will be notified before spudding is to take place or if any casing is cemented in:

6. If an ALTERATION II COMPLETION, production shall be cemented from below any usable water to surface within 120 days of spudding:

7. All wells shall be completed within 30 days of the spudd date or the well shall be plugged in.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 3-15-06

Title: Land Manager

KCC USE ONLY

API # 15: 201-27-000-000

Conductor pipe required: None

Minimum surface pipe required: 200' and per A.A. (X)

Approved by: NPR 3-15-06

This authorization expires: 3-15-06

This authorization will only be valid if spurring is started within a 30 days of effective date.

Spud Date: 3-15-06

Agent:

For KCC Date: 3-15-06

Effective Date: 3

District #: 3

CONSERVATION DIVISION

A permit must be filled.

Declaration of Intent to Drill

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

Northwest 26

3-15-06

2065

64

17

N

I

E

E

W

W

L

1200

Length: 1200

Form 0-1

Form must be Typed

Form must be Signed

(ha) later plugging is completed.

Obtain written approval before dispatching or injecting salt water.

If this permit has expired (See Authorized expiration date) please check the box below and return to the address below.

Wall Not Drilled - Permit Expired

Signature of Operator or Agent:

Date:

This authorization will only be valid if spurring is started within a 30 days of effective date.

Spud Date: 3-15-06

Agent:

Download 201-27-000-000

This authorization will only be valid if spurring is started within a 30 days of effective date.

Spud Date: 3-15-06

Agent:

Download 201-27-000-000

This authorization will only be valid if spurring is started within a 30 days of effective date.

Spud Date: 3-15-06

Agent:
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. 1
Operator: Admiral Bay (USA) Inc.
Lease: Ladd
Well Number: 22
Field: Humboldt-Chapache

Number of Acres attributable to well: 40

QTR / UTR / QTR of acreage: NW  NE

Location of Well

County: Woodson

Location of Well: 515

feet from N / S Line of Section

feet from W Line of Section

Sec. 27  Twp. 265  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 40 acre 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 dotted line 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 must be attached (CD-7 for oil wells;