

For KCC Use: 7-11-04
 Effective Date: _____
 District # 3
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

Form C-1
 December 2002
Form must be Typed
Form must be Signed
All blanks must be Filled

NOTICE OF INTENT TO DRILL
Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date July 20, 2004
 month day year

OPERATOR: License# 32977
 Name: Dorado Gas Resources LLC
 Address: 14550 East Easter Ave., Ste 1000
 City/State/Zip: Centennial, CO 80112
 Contact Person: Steven Tedesco
 Phone: 720 889 0510

CONTRACTOR: License# 5786
 Name: McGowan Drilling

Spot _____ Ne _____ Se _____ Sec. 24 Twp. 26 S. R. 18
 East
 West
2223 feet from N / S Line of Section
360 feet from E / W Line of Section
 Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Allen
 Lease Name: Daniels Well #: 9-24
 Field Name: Wildcat

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Mississippian

Nearest Lease or unit boundary: 330
 Ground Surface Elevation: 1006 feet MSL

Water well within one-quarter mile: Yes No

Public water supply well within one mile: Yes No

Depth to bottom of fresh water: 100'

Depth to bottom of usable water: 200'

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 20'

Length of Conductor Pipe required: NONE

Projected Total Depth: 1050'

Formation at Total Depth: Mississippian

Water Source for Drilling Operations:
 Well Farm Pond Other _____

DWR Permit #: _____

(Note: Apply for Permit with DWR)

Will Cores be taken? Yes No

If Yes, proposed zone: _____

Well Drilled For:	Well Class:	Type Equipment:
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input type="checkbox"/> Infield
<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Mud Rotary
<input type="checkbox"/> OWWO	<input type="checkbox"/> Disposal	<input type="checkbox"/> Pool Ext.
<input type="checkbox"/> Seismic; # of Holes _____	<input type="checkbox"/> Other	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> Other _____		<input type="checkbox"/> Cable

If OWWO: old well information as follows:
 Operator: _____
 Well Name: _____
 Original Completion Date: _____ Original Total Depth: _____

Directional, Deviated or Horizontal well bore? Yes No

If Yes, true vertical depth: _____

Bottom Hole Location: _____

KCC DKT #: JUL 06 2004

CONSERVATION DIVISION
 WICHITA, KS

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.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. 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; in all cases surface pipe **shall be set** 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 before well is either plugged or production casing is cemented in;
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 #133,891-C, which applies to 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: July 2, 2004 Signature of Operator or Agent: [Signature] Title: Manager of Geology

For KCC Use ONLY

API # 15 - 001-29099-00-00

Conductor pipe required NONE feet

Minimum surface pipe required 20 feet per Alt. # (2)

Approved by: RJP 7.6.04

This authorization expires: 1-6-05
 (This authorization void if drilling not started within 6 months of effective date.)

Spud date: _____ Agent: _____

- Remember to:**
- File Drill Pit Application (form CDP-1) with Intent to Drill;
 - File Completion Form ACO-1 within 120 days of spud date;
 - File acreage attribution plat according to field proration orders;
 - Notify appropriate district office 48 hours prior to workover or re-entry;
 - Submit plugging report (CP-4) after plugging is completed;
 - Obtain written approval before disposing or injecting 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
- Signature of Operator or Agent: _____
 Date: _____

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

24 26 18E

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: Dorado Gas Resources LLC
 Lease: Daniels
 Well Number: 9-24
 Field: Wildcat

Location of Well: County: Allen
2223 feet from N / S Line of Section
360 feet from E / W Line of Section
 Sec. 24 Twp. 26 S. R. 18 East West

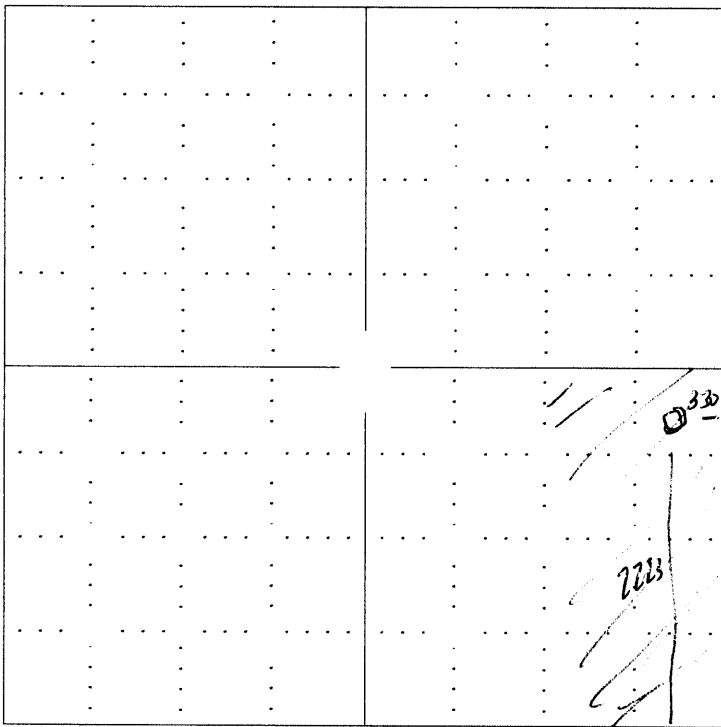
Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: _____ - Ne - Se

Is Section: Regular or Irregular

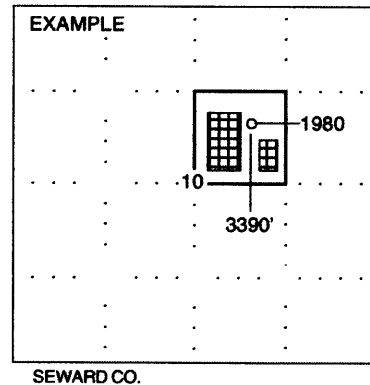
If Section is Irregular, locate well from nearest corner boundary.
 Section corner used: NE NW SE SW

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.)*



RECEIVED
 KANSAS CORPORATION COMMISSION
JUL 06 2004
 CONSERVATION DIVISION
 WICHITA, KS



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

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: (CO-7 for oil wells; CG-8 for gas wells).