

**** 2ND CORRECTED**

RECEIVED

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

APR 19 2006

CORRECTED
December 2002
Form must be Signed
Blanks must be Filled

For KCC Use:
Effective Date: 4-24-06
District #: 3
SGA? Yes No

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

CONSERVATION DIVISION
WICHITA, KS

Mound Valley

Expected Spud Date 4/19/06
month day year

Spot SE SE SW Sec. 31 Twp. 33 S. R. 19
630 feet from N / S Line of Section
2053 feet from E / W Line of Section
Is SECTION Regular Irregular?

OPERATOR: License# 33583
Name: Admiral Bay (USA) Inc.
Address: 14550 E Easter Ave, Ste. 1000
City/State/Zip: Centennial, CO 80112
Contact Person: Janet Johnson
Phone: 303.671-7242

County: Labette
Lease Name: Obrien Well #: 14-31
Field Name: Mound Valley South

CONTRACTOR: License# 5786
Name: McGowan Drilling, Inc

Is this a Prorated / Spaced Field? Yes No

Well Drilled For: Oil Gas OWWO Seismic; # of Holes Other
Well Class: Infield Pool Ext. Wildcat Other
Type Equipment: Mud Rotary Air Rotary Cable

Nearest Lease or unit boundary: 630 FSL
Ground Surface Elevation: 872 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: 1000'
Formation at Total Depth: Mississippian
Water Source for Drilling Operations: Well Farm Pond Other _____
DWR Permit #: _____

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

Directional, Deviated or Horizontal wellbore? Yes No

If Yes, true vertical depth: _____

Bottom Hole Location: _____

KCC DKT #: _____

Will Cores be taken? Yes No
If Yes, proposed zone: _____

* Was: SW-SE-SW
IS: SE-SE-SW

** Added approval date

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: 04/13/06 Signature of Operator or Agent: [Signature] Title: Land Coordinator

For KCC Use ONLY
API # 15 - 099-23936-000
Conductor pipe required None feet
Minimum surface pipe required 20 feet per Alt. X2
Approved by: RH 4-19-06 RH 4-24-06
This authorization expires: 10-19-06
(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

31
33
19E