

# ARTICLES OF INCORPORATION

EFFECTIVE

OF

05 DEC 21 AM 9:59

Horsley Drilling, Inc SECRETARY OF STATE  
STATE OF IDAHO

The undersigned, acting as the incorporator of a corporation (hereinafter referred to as "CORPORATION" under the IDAHO BUSINESS CORPORATION ACT (the act), adopts the following Articles of Incorporation for the Corporation:

## ARTICLE I.

NAME

The name of the Corporation

Horsley Drilling, Inc

## ARTICLE II.

### PERIOD OF DURATION

The period of duration of this corporation is perpetual.

## ARTICLE III.

### PURPOSES AND POWERS

#### SECTION I.

The purpose for which the corporation is organized is: The transaction of any or all lawful business for which corporations may be incorporated under the Act; to do everything necessary, proper, advisable or convenient for the conduct of said business; and to all other things incident thereto or connected therewith, which are not forbidden by the Act, by other law, or by these Articles of incorporation.

12/21/2005 05:00  
IDaho SECRETARY OF STATE  
CK: 2423 CT: 121414 BH: 927834  
1 @ 100.00 = 100.00 CORP # 2  
1 @ 20.00 = 20.00 CORP SUR # 3

## SECTION 2.

The Corporation shall have may exercise all powers necessary or convenient to effect its powers specified in the appropriate sections of the Idaho Code, as amended and supplemented.

## ARTICLE IV.

### AUTHORIZED SHARES

#### SECTION 1. NUMBERS

The Aggregate number of shares of common stock which the corporation shall have the authority to issue is 1,000,000. The stock shall have .00 value.

#### SECTION 2. DIVIDENDS

The holders of the common stock shall be entitled to receive, when and as declared by the Board of Directors, as permitted by the Act, dividends or distributions payable either in cash, in property, or in shares of the capital stock of the CORPORATION.

#### SECTION 3. STOCK NONASSESSABLE

The private property of the shareholders of the corporation shall not be subject to the payment of corporate debts to any extent whatsoever, and shares of the Corporation shall not be subject to assessment for the purpose of paying expenses, conducting business, or paying debts of the Corporation.

#### SECTION 4. VOTING POWER

The entire voting power for the election of the Directors and for all other purposes shall be vested exclusively in the holders of common stock, whom shall be entitled to one vote for each share of common stock held by them of record.

ARTICLE V.  
PREEMPTIVE RIGHTS

Shareholders of the Corporation shall have preemptive rights and preferential rights of subscription to any shares of stock of the corporation, whether now or hereafter authorized, or to any obligations convertible into stock of the Corporation, issued or sold, and the Board of Directors in issuing stock of the corporation, or obligation convertible into the shareholders of the Corporation.

ARTICLE VI.  
REGISTERED OFFICE

The address of the initial registered office of the Corporation is

17965 N. Circle S Trail, Rathgnum, 17 83885  
and the name of the initial registered agent is Charlene E. Horsley

ARTICLE VII.  
BOARD OF DIRECTORS

The number of Directors of the Corporation shall be as specified in the Bylaws. The number of Directors constituting the initial Board of Directors is one (1), and the name and address of the person who is to serve as Director until the first annual meeting of shareholders or until their successors are elected and qualify is:

Charlene M. Horsley  
NAME 17965 N. Circle S Trail,  
Rathgnum, 17 83885  
ADDRESS

ARTICLE VIII.  
INCORPORATOR

Charlene E. Horsley  
NAME 17965 N. Circle S. Trail  
Rathgnum, 17 83885  
ADDRESS

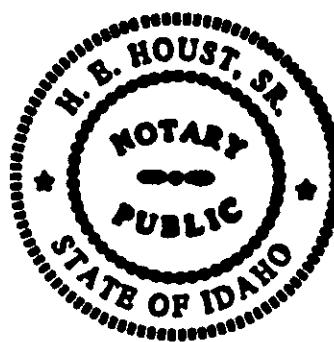
Charlene E. Horsley President

STATE OF IDAHO )

COUNTY OF Kootenai )  
ss

On this 2<sup>nd</sup> day of January, 2006, before me the undersigned  
Notary Public in and for the State of Idaho, personable appeared Charlene E.  
Horsley, known to me to be the person(s) whose name(s) is  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same.

In witness thereof, I have set my hand and affixed my official seal, the day and year above written  
herein.



H. E. Houst, Sr.  
Notary Public for Idaho  
Residing at Boise, Idaho  
My commission expires 12/12/08