

For KCC Use: Effective Date: 11-2-03 District #: 2 SGA? Yes No

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

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

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

REVISED

Expected Spud Date: December 1, 2003

Spot NE NW NW Sec 26 Twp 21S S. R. 6E East West 300 feet from N / S Line of Section 990 feet from E / W Line of Section

OPERATOR: License # 33209 Name: Penn Virginia Oil & Gas Corporation Address: 2550 E. Stone Dr., Suite 110 City/State/Zip: Kingsport, TN 37660 Contact Person: Richard Waddell, Operations Manager Phone: 423-723-0281

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CONTRACTOR: Licence # 32854 Name: Gulick Drilling Co., Inc

NOV 10 2003

KCC WICHITA

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

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 #:

* Projected TD: was = 3400 IS = 4400'

Is SECTION Regular Irregular (Note: Locate well on the Section Plat on reverse side)

County: Chase Lease Name: MERCER 26-4 Well #: 4 Is this a Prorated / Spaced Field? Yes No Target Formations: Arbuckle Nearest Lease or Boundary Unit: None Within 330' See attachment Ground Surface Elevation: 1366 Water well within one-quarter mile: Yes No Public water supply well within one mile: Yes No Depth to bottom of fresh water: 150' Depth to bottom of usable water: 180' Surface Pipe by Alternate: 1 2 Length of Surface Pipe Planned to be set: 500' Length of Conductor Pipe required: None

* Projected Total Depth: 4400 Formation at Total Depth: Arbuckle Water Source for Drilling Operations: Well Farm Pond Other Other DWR Permit #: Not required (Note: Apply for Permit with DWR) Will Cores be taken?: Yes No If Yes, proposed zone:

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 # 133,891C, 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: 11-7-03 Signature of Operator or Agent: Richard Waddell Title: Ops Mgr

For KCC Use ONLY API # 15- 017-20853 00-06 Conductor pipe required NONE feet Minimum surface pipe required 200 feet per alt. 1 Approved by: RJP 10-28-03/RJP 11-14-03 This authorization expires: 4-28-04 (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:

26 21 6/11

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.: _____

Operator: Penn Virginia Oil & Gas Corp.

Lease Name: MERCER 26-4

Well #: 4

Number of Acres Attributable to well: _____

QTR/QTR/QTR of acreage NW/4 NE/4

Location of Well: County: Chase

_____ 300 feet from N / S Line of Section

_____ 990 feet from E / W Line of Section

Sec 26 Twp 21S S. R. 6E East West

Is SECTION Regular Irregular

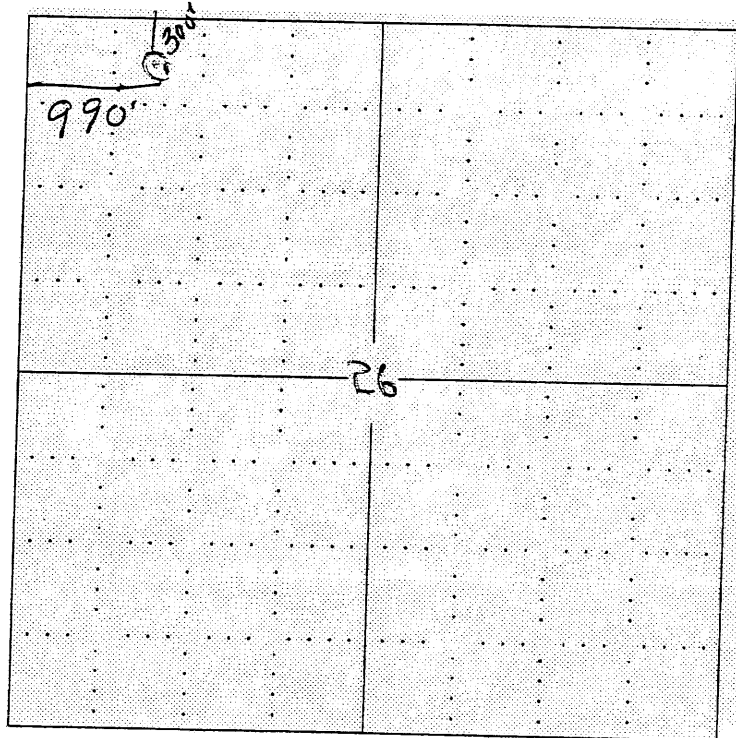
If Section is irregular, locate well from nearest corner boundary

Section corner used: NE NW SE SW

PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)

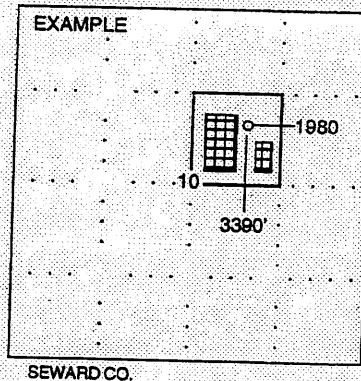
(Show footage to the nearest lease or unit boundary line.)



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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 identifying section lines, i.e. 1 section, 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 of 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: (C0-7 for oil wells; CG-8 for gas wells).