

For KCC Use: 10-20-03
 Effective Date: 10-20-03
 District #: 2
 SGA? Yes No

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

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CORRECTED
 OCT 1 2003

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

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

Expected Spud Date: November 3, 2003
 month day year

Spot Apr 0's KCC WICHITA
 NW/4 NE/4 Sec 27 Twp 21S S. R. 6E
 600 feet from N / S Line of Section
 1900 feet from E / W Line of Section
 Is SECTION Regular Irregular

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, Senior Engineer
 Phone: 423-723-0281

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

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

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 #: _____

(Note: Locate well on the Section Plat on reverse side)
 County: Chase
 Lease Name: MERCER 27-2 Well #: 2
 Is this a Prorated / Spaced Field? Yes No
 Target Formations: Rowe and Riverton Coals
 Nearest Lease or Boundary Unit: None Within 330' See attachment
 Ground Surface Elevation: 1325
 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: 200'
 Length of Conductor Pipe required: None
 *Projected Total Depth: ~~3400~~ 3550
 Formation at Total Depth: Mississippian Lime
 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: Pennsylvanian Coals

* PTD WAS = 3400
 PTD IS = 3550

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: 10-8-03 Signature of Operator or Agent: Richard Waddell Title: Ops. Mgr

For KCC Use ONLY
 API # 15- 017-20847.00 00
 Conductor pipe required NONE feet
 Minimum surface pipe required 200 feet per al 1
 Approved by: RJP 10-15-03 RJP 11-17-03
 This authorization expires: 4-15-04
 (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: _____

27
 21
 6E

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.

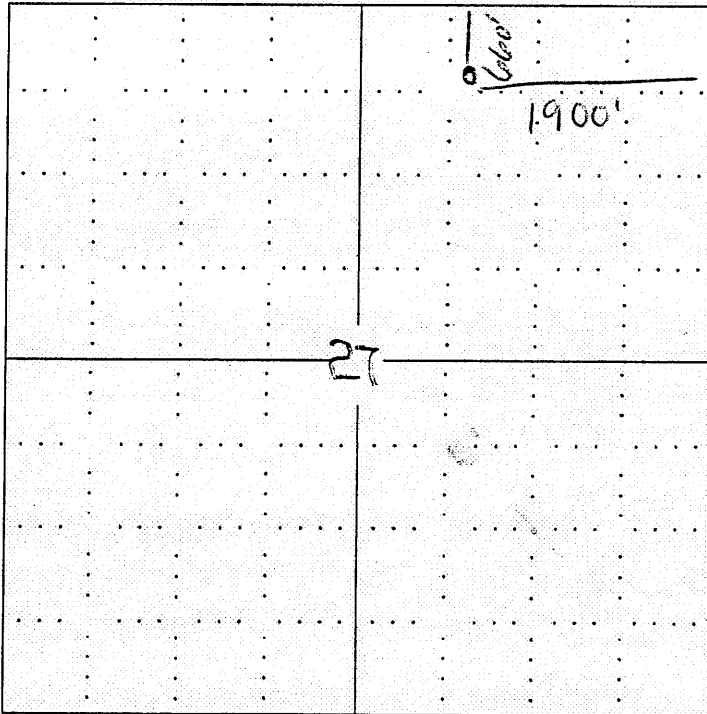
API No.: _____
Operator: Penn Virginia Oil & Gas Corp.
Lease Name: MERCER 27-2
Well #: 2
Number of Acres Attributable to well: _____
QTR/QTR/QTR of acreage NW/4 NE/4

Location of Well: County: Chase
_____ 600 feet from N / S Line of Section
_____ 1900 feet from E / W Line of Section
Sec 27 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

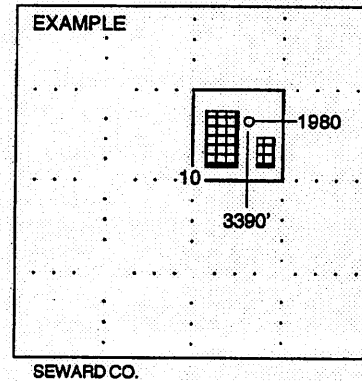
PLAT

(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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OCT 14 2003
KCC WICHITA



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