

For KCC Use: 3-24-04
 Effective Date: 3-24-04
 District # 1
 SGA? Yes No

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

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

Ap 60' W of

Expected Spud Date 3-22-04
 month day year

Spot
 CSW SW SE Sec. 22 Twp. 32 S. R. 10 East West
330' feet from N / S Line of Section
2370 2310 feet from E / W Line of Section Percep
 Is SECTION Regular Irregular? 3-19-04

OPERATOR: License# 5039
 Name: AGV Corporation
 Address: 123 N Main St
 City/State/Zip: Attica KS 67009
 Contact Person: Larry G. Mans
 Phone: 620-254-7222

(Note: Locate well on the Section Plat on reverse side)
 County: Barber
 Lease Name: Martin Well #: 3
 Field Name: McGuire Goeman

CONTRACTOR: License# 5892
 Name: Berentz Drilling Company, Inc.

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Mississippi

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

Nearest Lease or unit boundary: 330'
 Ground Surface Elevation: 1445 feet MSL
 Water well within one-quarter mile: Yes No
 Public water supply well within one mile: Yes No

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

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: 250
 Length of Conductor Pipe required: None
 Projected Total Depth: 4400
 Formation at Total Depth: Mississippi

Directional, Deviated or Horizontal wellbore? Yes No

Water Source for Drilling Operations:
 Well Farm Pond Other _____

If Yes, true vertical depth: _____
 Bottom Hole Location: RECEIVED
KANSAS CORPORATION COMMISSION
 KCC DKT #: _____ MAR 17 2004

DWR Permit #: _____
 (Note: Apply for Permit with DWR)
 Will Cores be taken? Yes No
 If Yes, proposed zone: _____

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: 3-17-04 Signature of Operator or Agent: [Signature] Title: Agent

For KCC Use ONLY
 API # 15 - 007-22813-00-00
 Conductor pipe required NONE feet
 Minimum surface pipe required 200 feet per Alt. 1
 Approved by: RSP 3-19-04
 This authorization expires: 9-19-04
 (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: _____

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

22 32 10W

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: AGV Corporation
 Lease: Martin
 Well Number: 3
 Field: McGuire Goeman

Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: CSW - SW - SE

Location of Well: County: Barber

 330' _____ feet from N / S Line of Section
2370 2310 _____ feet from E / W Line of Section
 Sec. 22 Twp. 32 S. R. 10 East West

Is Section: Regular or Irregular

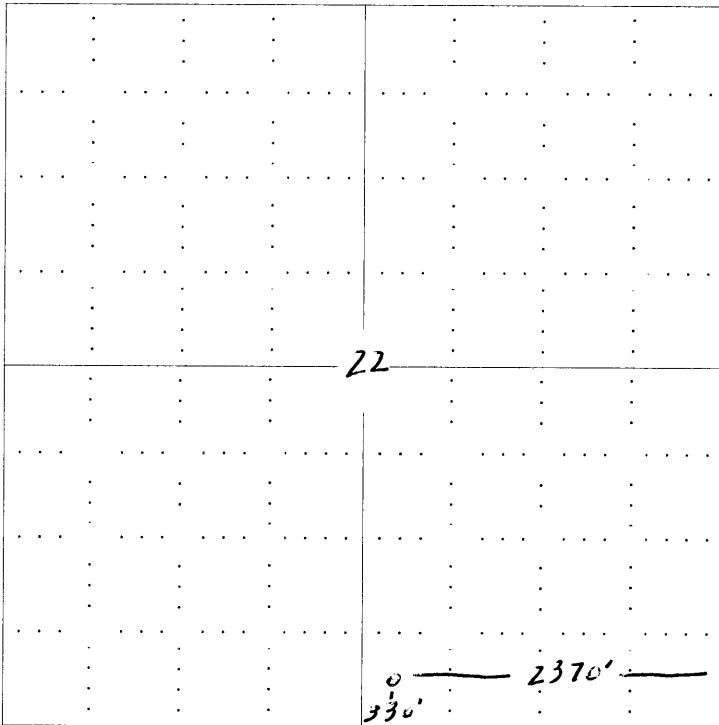
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

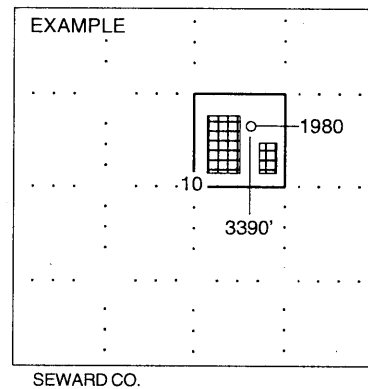
PLAT

(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
 MAR 17 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).

KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR
BRIAN J. MOLINE, CHAIR
JOHN WINE, COMMISSIONER
ROBERT E. KREHBIEL, COMMISSIONER

March 17, 2004

Larry G Mans
AGV Corporation
123 N Main St
Attica KS 67009

Re: Drilling Pit Application
Martin Lease Well No. 3
SE/4 22-32S-10W
Barber County, Kansas

Dear Mr. Mans:

District staff has inspected the location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has instructed that no earthen pits are to be used at this location. Steel pits are to be used. Please inform the Commission in writing as to which disposal well you utilized to dispose of the contents in the steel pits and the amount of fluid that was disposed. The enclosed Surface Pond Waste Transfer, form CDP-5, must be filed within 30 days of fluid transfer.

Should a haul-off pit be necessary, please complete the enclosed CDP-1. This location will have to be inspected prior to approval of the haul-off pit application.

Sincerely,



Jonelle Rains, Supervisor
Environmental Protection and Remediation Department

Cc: Steve Durrant
File