

CORRECTED

RECEIVED

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

MAR 26 2004

NOTICE OF INTENT TO DRILL

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

KCC WICHITA

Form C-1

September 1999

Form must be Typed

Form must be Signed

blanks must be Filled

For KCC Use: 4-3-04
Effective Date: _____
District # _____
SGA? Yes No

Expected Spud Date 03 month 31 day 04 year

OPERATOR: License# 30420
Name: V.J.I. Natural Resources Inc.
Address: 30-38 48th St.
City/State/Zip: Astoria, New York 11103
Contact Person: Jason Dinges
Phone: 785-625-8360

CONTRACTOR: License# 33323
Name: Petromark

Well Drilled For:	Well Class:	Type Equipment:
<input checked="" type="checkbox"/> Oil	<input checked="" type="checkbox"/> Infield	<input checked="" type="checkbox"/> Mud Rotary
<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Pool Ext.	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> QWO	<input type="checkbox"/> Wildcat	<input type="checkbox"/> Cable
<input type="checkbox"/> Seismic; # of Holes _____	<input type="checkbox"/> Other _____	
<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 #: _____

Spot SE - SW - NW Sec. 9 Twp. 25 S. R. 18 East West
2310 feet from 8 / 10 (circle one) Line of Section
990 feet from 7 / 10 (circle one) Line of Section
Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Edwards
Lease Name: McLean Well #: 1
Field Name: McLean

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

Nearest Lease or unit boundary: 990
Ground Surface Elevation: 2170 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: 40 240
Depth to bottom of usable water: 300

Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 325

Length of Conductor Pipe required: none
Projected Total Depth: 4700

Formation at Total Depth: Viola

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: _____

* API WAS = 15-145-21493-0000

API IS = 15-047-21493-0000 AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, 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. 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: 3-24-04 Signature of Operator or Agent: Jason Dinges Title: AGENT

For KCC Use ONLY

* API # 15 - 047-21493-00-00

Conductor pipe required NONE feet

Minimum surface pipe required 320 feet per Alt. 0

Approved by: RJP 3-29-04 / RJP 3-30-04

This authorization expires: 9-29-04
(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.

9
25
18

For KCC Use: 4-3-04
 Effective Date: _____
 District #: _____
 SGA? Yes No

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KCC WICHITA

Expected Spud Date 03 month 31 day 04 year

OPERATOR: License# 30420
 Name: V.J.I. Natural Resources Inc.
 Address: 30-38 48th St.
 City/State/Zip: Astoria, New York 11103
 Contact Person: Jason Dinges
 Phone: 785-625-8360
 CONTRACTOR: License# 33323
 Name: Patromark

Well Drilled For:	Well Class:	Type Equipment:
<input checked="" type="checkbox"/> Oil	<input checked="" type="checkbox"/> Infield	<input checked="" type="checkbox"/> Mud Rotary
<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Pool Ext.	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> CWWD	<input type="checkbox"/> Wildcat	<input type="checkbox"/> Cable
<input type="checkbox"/> Seismic; # of Holes	<input type="checkbox"/> Other	
<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 #: _____

Spot SE - SW - NW Sec. 9 Twp. 25 S. R. 18 East West
 _____ 2310 feet from N (circle one) Line of Section
 _____ 990 feet from W (circle one) Line of Section
 Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
 County: Edwards
 Lease Name: McLean Well #: 1
 Field Name: McLean
 Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Viola
 Nearest Lease or unit boundary: 990
 Ground Surface Elevation: 2170est feet MSL
 Water well within one-quarter mile: Yes No
 Public water supply well within one mile: Yes No
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 Depth to bottom of usable water: 300
 Surface Pipe by Alternate: 1 2
 Length of Surface Pipe Planned to be set: 325
 Length of Conductor Pipe required: none
 Projected Total Depth: 4700
 Formation at Total Depth: Viola
 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: _____

AFFIDAVIT

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I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 3-24-04 Signature of Operator or Agent: Jason Dinges Title: AGENT

For KCC Use ONLY
 API # 15 - 145-21493-00-00
 Conductor pipe required NONE feet
 Minimum surface pipe required 320 feet per Alt. 1
 Approved by: RSP 3-29-04
 This authorization expires: 9-29-04
 (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;
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25
18W

KANSAS

CORPORATION COMMISSION

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

March 29, 2004

Mr. Jason Dinges
V.J.I. Natural Resources, Inc.
30-38 48th St.
Astoria, New York 11103

RE: Drilling Pit Application
McLean Lease Well No. 1
NW/4 Sec. 09-25S-18W
Edwards County, Kansas

Dear Mr. Dinges:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again as soon as practical after drilling operations have ceased.

If production casing is set all completion fluids shall be removed on a daily basis.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 when the fluids have been removed. Also please file the enclosed CDP-5 form, Surface Pond Waste Transfer, within 30 days of fluid removal.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill.

If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,



Kathleen Haynes
Environmental Protection and Remediation Department

cc: S Durrant