

For KCC Use:
Effective Date: 3-30-05
District # 1
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

Form C-1
September 1999
Form must be Typed
Form must be Signed
All blanks must be Filled

Expected Spud Date 04 06 05
month day year

Spot _____ East
_____ West
CSF - SE Sec. 6 Twp. 24 S. R. 18

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

1320 feet from S / + (circle one) Line of Section
1320 feet from E / W (circle one) Line of Section
Is SECTION Regular Irregular?

CONTRACTOR: License# 33323 ✓
Name: Petromark

(Note: Locate well on the Section Plat on reverse side)
County: Edwards
Lease Name: Mages-Nightingale Well #: 4
Field Name: Nightingale Disc.

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Cherokee

Nearest Lease or unit boundary: 1320'

Ground Surface Elevation: +890est 2120'± 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: 20' 100'

Depth to bottom of usable water: 600' 370'

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 420' **RECEIVED**

Length of Conductor Pipe required: N/A

Projected Total Depth: 4630' **MAR 23 2005**

Formation at Total Depth: Viola **KCC WICHITA**

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: _____

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

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 #: _____

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: 03-21-05 Signature of Operator or Agent: Jason Dinges Title: agent

For KCC Use ONLY
API # 15 - 047-21504-00-00
Conductor pipe required NONE feet
Minimum surface pipe required 400' feet per Alt.
Approved by: DPW 3-25-05
This authorization expires: 9-25-05
(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.

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

6
24
18W

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 - 047-215040000
 Operator: V.J.I. Natural Resources Inc.
 Lease: Mages-Nightingale
 Well Number: 4
 Field: Nightingale Disc.
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: _____

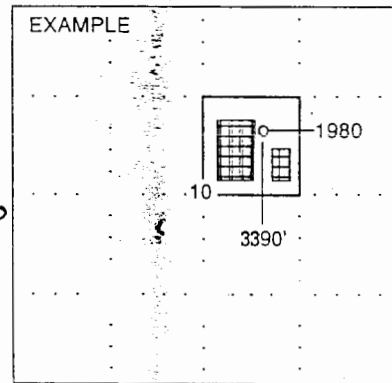
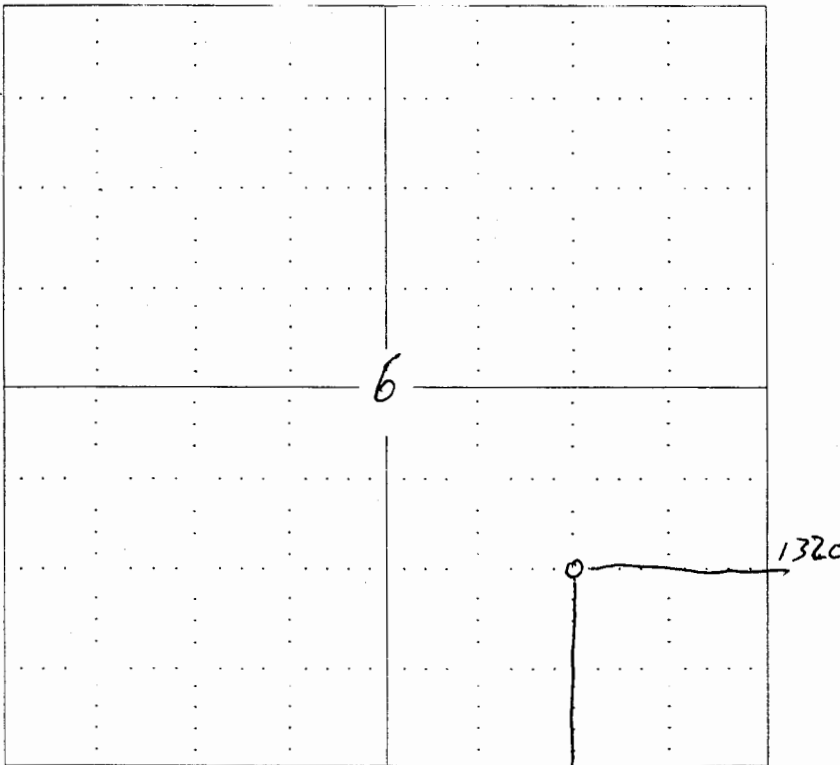
Location of Well: County: Edwards
 _____ 1320 feet from S / N (circle one) Line of Section
 _____ 1320 feet from E / W (circle one) Line of Section
 Sec. 6 Twp. 24 S. R. 18 East West

Is Section x 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.)



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 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
ROBERT E. KREHBIEL, COMMISSIONER
MICHAEL C. MOFFET, COMMISSIONER

March 25, 2005

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

RE: Drilling Pit Application
Mages-Nightingale Lease Well No. 4
SE/4 Sec. 06-24S-18W
Edwards County, Kansas

Dear Mr. Dinges:

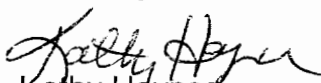
District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as practical after drilling 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,



Kathy Haynes

Environmental Protection and Remediation Department

cc: S Durrant