

For KCC Use: 12-1-03
 Effective Date: 12-1-03
 District #: 2
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

RECEIVED

OCT 17 2003

Form C-1
 December 2002

Form must be Typed
 Form must be Signed
 blanks must be Filled

NOTICE OF INTENT TO DRILL

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

KCC WICHITA

Expected Spud Date December 15 2003
month day year

Spot East
SE SW SE Sec. 26 Twp. 31 S. R. 9 West
330 feet from N / S Line of Section
1650 feet from E / W Line of Section

OPERATOR: License# 3288
 Name: Jody Oil & Gas Corporation
 Address: PO Box 422
 City/State/Zip: Attica, KS 67009
 Contact Person: Randy Newberry
 Phone: (620) 254-7251

Is SECTION Regular Irregular?

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

CONTRACTOR: License# 5929
 Name: Duke Drilling Co., Inc.

County: Harper
 Lease Name: Jacobs Well #: 1
 Field Name: Spivey-Grabs

Is this a Prorated / Spaced Field? Yes No
 Target Information(s): Arbuckle

Well Drilled For:	Well Class:	Type Equipment:
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
<input checked="" type="checkbox"/> OWO	<input checked="" type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic; # of Holes	<input type="checkbox"/> Other	<input type="checkbox"/> Cable
<input type="checkbox"/> Other		

Nearest Lease or unit boundary: 330'
 Ground Surface Elevation: 1602 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: 150
 Depth to bottom of usable water: 180

If OWWO: old well information as follows:
 Operator: SeRoBe 15-077-20165-00-00
 Well Name: Jacobs #1
 Original Completion Date: Oct. '78 Original Total Depth: 4460

Surface Pipe by Alternate: 1 2
 Length of Surface Pipe Planned to be set: 205'

Length of Conductor Pipe required: None
 Projected Total Depth: 5400'

Directional, Deviated or Horizontal wellbore? Yes No

Formation at Total Depth: Arbuckle

If Yes, true vertical depth: _____

Water Source for Drilling Operations:
 Well Farm Pond Other _____

Bottom Hole Location: _____

DWR Permit #: To be applied for

KCC DKT #: _____

(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 #133,891-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: 10-16-03 Signature of Operator or Agent: Randy Newberry Title: Vice President

For KCC Use ONLY
 API # 15 - 077-20165-00-01
 Conductor pipe required NONE feet
 Minimum surface pipe required 205' set feet per Alt. ①
 Approved by: RJP 11-26-03
 This authorization expires: 5-26-04
 (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
31
93

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 - 077-20, 494 (10/03/78)

Operator: Jody Oil & Gas Corporation

Lease: Jacobs

Well Number: 1

Field: Spivey-Grabs

Number of Acres attributable to well: 10

QTR / QTR / QTR of acreage: SE - SW - SE

Location of Well: County: Harper

330 feet from N / S Line of Section

1650 feet from E / W Line of Section

Sec. 26 Twp. 31 S. R. 9 East West

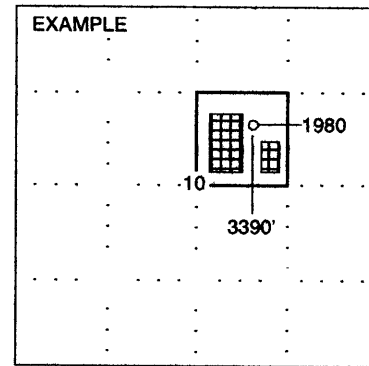
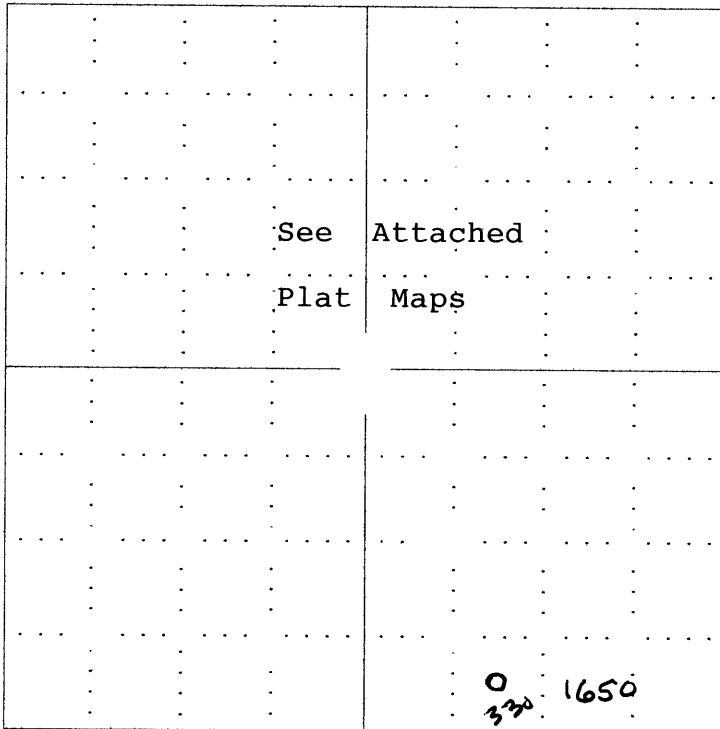
Is Section: Regular or Irregular

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.)*



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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 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

November 25, 2003

Mr. Randy Newberry
Jody Oil & Gas Corporation
PO Box 422
Attica, KS 67009

RE: Drilling Pit Application
Jacobs Lease Well No. 1
SE/4 Sec. 26-31S-09W
Harper County, Kansas

Dear Mr. Newberry:

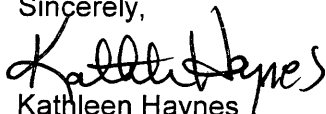
District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit within 72 hours of drilling completion.

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 (316) 337-6231 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: Doug Louis