CORRECTED

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

Form C-1
September 1999
Form must be Typed
blanks must be filled

For KCC Use:
Effective Date: ____________
District #: ____________
SGA? Yes No

KCC WICHITA

RECEIVED
MAR 26 2004

4-3-04

Expected Spud Date: 03 31 04

OPERATOR: License#: 30420
Name: Y.J.J. 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: Pehrmark

Well Drilled For:

Gas Storage
Oil Disposal
Spacial: # of Holes:
Other

Well Class:

Infield
Mud Rotary
Air Rotary
Wildcat
Cable
Other

Type Equipment:

GAS
DOW
Seismic:
Other

Well Drilled For: Gas Storage

If OWWO: old well information as follows:
Operator:
Well Name:
Original Completion Date:
Original Total Depth:
Directional, Deviated or Horizontal well:
Yes No
If Yes, true vertical depth:

Bottom Hole Location:

KCC DKT #: X

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 and 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 C 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

Remember to:
- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACD-1 within 120 days of spud date;
- File acreage attribution plat according to field production 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
Expected Spud Date 03 31 04

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

CONTRACTOR: 33323
Name: Patmark

Well Drilled For: Oil [X] Gas [X] Storage [ ] Disposal [ ] Wildcat [ ] Cable [ ] Other [ ]
Well Class: Infield [X] Air Roto [ ] Mud Rotory [X] Other [ ]
Type Equipment: Other [ ]

If OWWO: old well information as follows:
Operator: 
Well Name: 
Original Completion Date: 
Original Total Depth: 
Directional, Deviated or Horizontal wellbore? [X] No [ ]

KCC DKT #: 

AFIDAVIT
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 - 145 - 21493 - 00.00
Conductor pipe required [X] NONE feet
Minimum surface pipe required 320 feet per Alt
Approved by: 25P 3-29-04
This authorization expires: 25P 3-29-04
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: 25P 3-29-04

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 proportion 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
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