KANSAS CORPORATION COMMISSION
OKLAHOMA & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL
Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date: April 11, 2005

OPERATOR: JORDAN VILL & GAS CORPORATION
Address: P.O. Box 672
City/State/Zip: Atkins, Kansas 73501
Phone: 727-288-7721

CONTRACTOR: DUKIN DRILLING CO., INC.
Phone: 520-244-7731

Owner Drillers: None

Well Drilled For: Oil
Type of Equipment: Multi Rig
Water Depth: Enb Res

City/State/Zip: Atkins, Kansas 73501

Spud Date: April 11, 2005

KCC #7: Received MAR 2 2005

 Affidavit

The undersigned hereby affirms that the annexation and eventual plugging of this well will comply with K.S.A. 55 et. seq.

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 surfacer pipe shall be set through all unconsolidated materials plus a minimum of 30 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;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water surface to a depth of 30 days of spud date.

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

For KCC Use ONLY
API # 15: 077,21513-0000
Conductor pipe required: None
Minimum surface pipe required: 2000 feet

Sally R. Byrne
Date: March 28, 2005
Title: Agent

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Part 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 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells. 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:
Lease:
well Number:
Field:
Number of Acres attributable to well:
GTR / GTR / GTR of acreage:

Location of Well: County:

feel from:

feel from:

Sec. _____ Twp. _____ R. _____

in Section: Regular or Irregular

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

Section corner used:

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, 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; CO-8 for gas wells).
April 21, 2005

Mr. Randy Newberry
Jody Oil & Gas Corporation
PO Box 492
Attica, KS 67009-0422

Re: Drilling Application
Sanders Lease Well No. 2
SE/4 Sec. 18-31S-08W
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 all pits must be lined with bentonite. The free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt sector has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again within 72 hours 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 (315) 630-4000 when the fluids have been removed. Also, please file the enclosed CPP-5, 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,

[Signature]
Kathy Haynie
Environmental Protection and Remediation Department

cc: Doug Louis