KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

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

For KCC Use Only

API # 15: 047-2.150/0-0-00
Conductor pipe required: 360 feet
Minimum surface pipe required: 400 feet per Acre
Approved by: 170-2.150/00
This authorization expires: 9-25-05
(This authorization void if drilling not started within 8 months of effective date)

Expected Spud Date: 06/06/05

Operate: Licensed: 30420
Name: V.I. Natural Resources Inc.
Address: 30-31 45th St.
City/State/Zip: Astoria, New York 11103
Contact Person: Jason Jones
Phone: 718-922-8360
Contractor: License: 33263

Well Drilled For:
Gas Storage
Gas Disposal
Gas Injection
Gas Storage
Gas Disposal
Gas Injection

Well Name: Klebes
Well Date: 01/15
Original Compilation Date:
Original Total Depth:

Directional, Deviated or Horizontal Well? Yes
Valve, Vertical Depth: 8000
Bottom Hole Location:
KCC DKT #:

Count: East
Sec: 6
Twp: 18
R: 18
W: 10

Is the well a Production Well? No
Field Name: Nightingale
Is this a Ponds or Spaced Field? Yes
Target Formation: Cherokee
Lease Name: Nightingale
Is this a lease or unit boundary? No
Ground Surface Elevation: 1300
Well wall within one-quarter mile: 200
Public water supply well within one mile: 100
Depth to bottom of fresh water: 100
Depth to bottom of usable water: 100
Surface Pipe by Alternative: X
Length of Surface Pipe: Length of Conductor Pipe Required
Projected Total Depth: 420
Formation at Total Depth:
Water Source for Drilling operations: Farm Pond
DWR Permit: X
Water Com'st be taken? Yes

Received:
KCC Wichita

APFDIATIV

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 district 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 Alternative #3 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: 01-21-05
Signature of Operator or Agent: [Signature]

Remember to:
- File Drill Rig Application from KCC-1 with Intact to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- FILE acreage withdrawal plat according to field provision 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 mixing salt water.

Mail to: KCC - Conservation Division, 130 S. Market - Room 2178, Wichita, Kansas 67202
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. 16 - 047-215640000
Operator: V.U.I. Natural Resources Inc.
Lease: Magee-Brightgale
Well Number: 4
Field: Brightgale Mcc.

Location of Well: County: Edwards

1220
1220
feet from S / N corner Line of Section
feet from E / W corner Line of Section
Sec. 6
Twp. 24
R. 15

X Regular or Irregular
is Section

If Section is irregular, locate well from nearest corner boundary. Section corner used: NE NW SE SW

QTR / QTR / QTR of acreage:

NOTE: In all cases locate the spot of the proposed drilling location.

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.)

EXAMPLE

SEWARD CO:

In plotting the proposed location of the well, you must show:

1. The manner in which you are using the deeded 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 (CD-7 for oil wells; CG-8 for gas wells).
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-16W
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

Conservation Division, Kansas State Office Building, 120 S. Market, Room 207A, Wichita, KS 67202-3007
Website 516-372-3800 Fax 516-372-3811 Email 10000-ksewa@KS.gov