API # 15 - 017-20848-00-00

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL PLUGGING APPLICATION
Please TYPE Form and File ONE Copy

RECEIVED
JUN 28 2006
KCC WICHITA

Form CP-1
September 2003
This Form must be Typed
Form must be Signed
Blank spaces must be filled

Indicate original spud or completion date 12-1-2003

Well Operator: Penn Virginia Oil & Gas Corporation
KCC License #: 33209

Address: 2550 East Stone Drive
City: Kingsport
State: TN
Zip Code: 37660
Contact Phone: (423) 723-0230

Lease: Mercer 26-12
Well #: 5
Sec: 26
Twp: 21
S. R. 6
East West

E2 NW4 SW4 Spot Location / QQQQ

County: Chase

1980 Feet (in exact footage) From North South (from nearest outside section corner) Line of Section (Not Lease Line)
990 Feet (in exact footage) From East West (from nearest outside section corner) Line of Section (Not Lease Line)

Check One: Oil Well Gas Well D&A Cathodic Water Supply Well

SWD Docket #: ENHR Docket # Other:

Conductor Casing Size: Set at: Cemented with: Sacks

Surface Casing Size: 8 5/8 Set at: 209 Cemented with: 165 Sacks

Production Casing Size: 5 1/2 Set at: 3445 Cemented with: 200 Sacks

List (ALL) Perforations and Bridgeplug Sets: 3118-3121; 2125-2127; 3144-3163; 3167-3172

Elevation: 1388 FG/L KB T.D.: 3460 PBDT: 3444 Anhydrite Depth:

(Stone Coral Formation)

Condition of Well: Good Poor Casing Leak Junk in Hole

Proposed Method of Plugging (attach a separate page if additional space is needed): POOH with pump and rods. Set tubing @3125'. Pump 50' of cement.

Pull out and lay down tubing. Perf well @ 209'. Circulate cement form 209' to surface. Cut off and cap well

Is Well Log attached to this application as required? Yes No Is ACO-1 filed? Yes No If not explain why?

Plugging of this Well will be done in accordance with K.S.A. 55-101 et seq. and the Rules and Regulations of the State Corporation Commission.

List Name of Company Representative authorized to be in charge of plugging operations: Richard Waddell

Penn Virginia Oil & Gas Corporation

Address: 2550 East Stone Drive
City/State: Kingsport, TN

Plugging Contractor: Pratt Well Service
KCC License #: 5893

Address: Box 847, Pratt, Kansas 67124
Phone: (620) 672-2531

Proposed Date and Hour of Plugging (if known):

Payment of the Plugging Fee (K.A.R. 82-3-118) will be guaranteed by Operator or Agent

Date: 6-23-06 Authorized Operator / Agent: Richard Waddell

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

(Signature)
NOTICE OF RECEIPT OF WELL PLUGGING APPLICATION (CP-1)

Penn Virginia Oil & Gas Corporation
2550 East Stone Drive, Suite 110
Kingsport, TN 37660

June 29, 2006

Re: MERCER 26-12 #5
API 15-017-20848-00-00
E2NWSW 26-21S-6E, 1980 FSL 990 FWL
CHASE COUNTY, KANSAS

Dear Operator:

This letter is to notify you that the Conservation Division is in receipt of your plugging proposal, form CP-1, for the above-captioned well.

Your CP-1 has been reviewed by the Conservation Division central office for completeness and to verify license numbers. The plugging proposal will now be forwarded to the district office listed below for review of your proposed method of plugging.

Please contact the district office for approval of your proposed plugging method at least five (5) days before plugging the well, pursuant to K.A.R. 82-3-113 (b). If a workover pit will be used during the plugging of the well it must be permitted. A CDP-1 form must be filed and approved prior to the use of the pit.

The Conservation Division's review of form CP-1, either in the central or district office, does not include an inquiry into well ownership or the filing operator's legal right to plug the well.

This notice in no way constitutes authorization to plug the above-captioned well by persons not having legal rights of ownership or interest in the well. This notice is void after ninety (90) days from the above date.

Sincerely,

David P. Williams
Production Supervisor

District: #2
3450 N. Rock Road, Suite 601
Wichita, KS 67226
(316) 630-4000