

CORRECTED SECOND  
CORRECTED

For KCC Use:  
Effective Date: 3-27-05  
District # 3  
SGA?  Yes  No

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

Form C-1  
December 2002  
Form must be Typed  
Form must be Signed  
All blanks must be Filled

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

Expected Spud Date July 4, 2005  
month day year

Spot  East  
NE4 - NE4 - SE4 Sec. 4 Twp. 29S S. R. 14  West  
2310' feet from  N /  S Line of Section  
330' feet from  E /  W Line of Section  
Is SECTION  Regular  Irregular?

OPERATOR: License# 33342  
Name: Blue Jay Operating, LLC  
Address: 4916 Camp Bowie Blvd., Suite 204  
City/State/Zip: Fort Worth, TX 76107  
Contact Person: Bob McNew  
Phone: 918-625-4180

(Note: Locate well on the Section Plat on reverse side)  
County: Wilson  
Lease Name: Pekrul Well #: A-1  
Field Name: Cherokee Basin Coal Gas

CONTRACTOR: License# 33539  
Name: Cherokee Wells, LLC

Is this a Prorated / Spaced Field?  Yes  No  
Target Formation(s): Mississippian

\*  
Well Drilled For:  Oil  Enh Rec  Infield  Mud Rotary  
 Gas  Storage  Pool Ext.  Air Rotary  
 OWWO  Disposal  Wildcat  Cable  
 Seismic; # of Holes  Other

Nearest Lease or unit boundary: 330'  
Ground Surface Elevation: 882' feet MSL

Water well within one-quarter mile:  Yes  No  
Public water supply well within one mile:  Yes  No

If OWWO: old well information as follows:  
Operator: \_\_\_\_\_  
Well Name: \_\_\_\_\_  
Original Completion Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

Depth to bottom of fresh water: 100+  
Depth to bottom of usable water: 200+

Surface Pipe by Alternate:  1  2  
Length of Surface Pipe Planned to be set: 40' Minimum

Length of Conductor Pipe required: None  
Projected Total Depth: 1350'

Directional, Deviated or Horizontal wellbore?  Yes  No

Formation at Total Depth: Mississippian

Water Source for Drilling Operations:  
 Well  Farm Pond Other \_\_\_\_\_

If Yes, true vertical depth: \_\_\_\_\_  
Bottom Hole Location: \_\_\_\_\_

DWR Permit #: \_\_\_\_\_

(Note: Apply for Permit with DWR )  
Will Cores be taken?  Yes  No

KCC DKT #: \_\_\_\_\_

If Yes, proposed zone: \_\_\_\_\_

\*  
NAS: 1980' from S and IS 2310' FSL  
660' from E 330' FEL

**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:

\* WAS: SWDW  
IS: GAS

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: 6/27/05 Signature of Operator or Agent: Charlotte D. Kephart Title: Agent

For KCC Use ONLY  
API # 15 - 205-26010-00-00  
Conductor pipe required NONE feet  
Minimum surface pipe required 40 feet per Alt. \* (2)  
Approved by: DPW 3-22-05 / RSP 7-12-05 / RSP 7-15-05  
This authorization expires: 9-22-05  
(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: \_\_\_\_\_

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

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14E  
RECEIVED  
JUN 29 2005  
L.P.C. WICHITA