

**CORRECTED**

For KCC Use: 7.4.05  
Effective Date: 3  
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 Ap

Spot  East  
SE4 - SE4 - SE4 Sec. 4 Twp. 29S S. R. 14  West  
400' feet from  N /  S Line of Section  
450' 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-2  
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  
Nearest Lease or unit boundary: 400'

Well Drilled For: Well Class: Type Equipment:  
 Oil  Enh Rec  Infield  Mud Rotary  
 Gas  Storage  Pool Ext.  Air Rotary  
 OWWO sposal  Wildcat  Cable  
 Seismic; # of Holes  Other  
 Other

Ground Surface Elevation: 877' feet MSL

Water well within one-quarter mile:  Yes  No

Public water supply well within one mile:  Yes  No

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'

Formation at Total Depth: Mississippian

Water Source for Drilling Operations:  
 Well  Farm Pond Other

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

(Note: Apply for Permit with DWR )

Will Cores be taken?  Yes  No

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

If OWWO: old well information as follows:

Operator: \_\_\_\_\_

Well Name: \_\_\_\_\_

Original Completion Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

Directional, Deviated or Horizontal wellbore?  Yes  No

If Yes, true vertical depth: \_\_\_\_\_

Bottom Hole Location: \_\_\_\_\_

KCC DIST #: \_\_\_\_\_

**\*WAS: DISPOSAL WELL IS: GAS WELL**

**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:

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: Charlotten Kepner Title: Agent

**For KCC Use ONLY**  
API # 15 - 205-26125-00-00  
Conductor pipe required NONE feet  
Minimum surface pipe required 40 feet per Alt. 2  
Approved by: RJP 6-29-05 / RSP 7-13-05  
This authorization expires: 12-29-05  
(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

4  
29  
14  
15