



1st Correction
2nd Correction
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For KCC Use: 4-3-06
Effective Date: 3
D.Sinc: # 3
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

APR 13 2006

Form C-1
December 2002
Form must be Typed
Form must be Signed
Blank must be Filled

NOTICE OF INTENT TO DRILL

KCC WICHITA

Must be approved by KCC five (5) days prior to commencement of drilling.

Expected Spud Date 3/31/06
month day year

Spot
E2 NE4 NE4 Sec 5 Twp. 28S S. R. 15E East
 West
660 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: Jimmy McGuire
Phone: 405-279-4313

(Note: Locate well on the Section Plat on reverse side)
County: Wilson

CONTRACTOR: License # 33072
Name: Well Refined Drilling Co., Inc.

Lease Name: Laird Well #: A-1 SWD
Field Name: Cherokee Basin Coal Gas

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

Well Drilled For: Oil Enh Rec Intfield Mud Rotary
 Storage Pool Ext. Air Rotary
 OWWO Wildcat Cable
 Seismic: # of Holes Other

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

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' 4950' 1350'

Formation at Total Depth: Mississippian Arbuckle Mississippian

If OWWO: old well information as follows:

Operator: _____
Well Name: _____
Original Completion Date: _____ Original Total Depth: _____

Water Source for Drilling Operations:
 Well Farm Pond Other

Direct, Deviated or Horizontal wellbore? Yes No

DWR Permit #: _____
(Note: Apply for Permit with DWR)

If Yes, true vertical depth _____
Bottom Hole Location: _____

Will Cores be taken? Yes No
If Yes, proposed zone: _____

KCC DKT # _____

* WAS: Gas ~~IS: Gas~~ IS: Gas
* WAS: A-1 IS: A-1 SWD IS: A-1
* WAS: Mississippian IS: Arbuckle IS: Mississippian

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 17-2-301 and 17-2-302.

- 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 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: 3/27/06 Signature of Operator or Agent: Charlotta R. Keplart Title: Agent

Remember to:

- File Drill Pit Application (form CDP-1) with Intent to Drill;
 - File Completion Form ACD-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: _____

For KCC Use ONLY
API # 15: 205-26460-0000
Conductor pipe required: None feet
Minimum surface pipe required: 20' feet per Alt. X2
Approved by: DPL 3-29-06 Permit 4-18-06
This authorization expires: 9-29-06 Permit 5-24-06
(This authorization void if drilling not started within 6 months of approval date)
Spud date: _____ Agent: _____

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

MAR 28 2006

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APR 27 2006

KCC WICHITA

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