

CORRECTION

RECEIVED
KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
JUN 08 2006

CORRECTED
Form must be Signed
Form must be Filled
blanks must be Filled

For KCC Use: 6-13-06
Effective Date: 3
District # 3
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL CONSERVATION DIVISION
Must be approved by KCC five (5) days prior to commencing work
WICHITA, KS

Expected Spud Date June 12, 2006
month day year

Spot SE4 SW4 SW4 Sec. 9 Twp. 9 S. R. 20 East West
Field 233' feet from N / S Line of Section
907 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
Fort Worth, TX 76107
City/State/Zip: Fort Worth, TX 76107
Contact Person: Jimmy McGuire Robert DeFeo
Phone: 405-279-4313 817-546-0032
CONTRACTOR: License# 33539
Name: Cherokee Wells, LLC

(Note: Locate well on the Section Plat on reverse side)
County: Jefferson
Lease Name: Zachariah Well # A-18
Field Name: Cherokee Basin Coal Gas Zachariah

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): McClouth Formation
Nearest Lease or unit boundary: 233'
Ground Surface Elevation: 1061.6 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: 150+
Depth to bottom of usable water: 275+
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: 1500'
Formation at Total Depth: McClouth Formation
Water Source for Drilling Operations:
 Well Farm Pond Other
DWR Permit #:

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

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 DKT #: _____

Contact Person: WAS: Jimmy McGuire
IS: Robert DeFeo

Phone: WAS: 405-279-4313 IS: 817-546-0032

(Note: Apply for Permit with DWR)

Will Cores be taken? Yes No

If Yes, proposed zone: WAS: WELL # A-18 IS: WELL # 18

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: June 5, 2006 Signature of Operator or Agent: Charlotte D. Keplart Title: Agent

For KCC Use ONLY
API # 15 - 087-20640-0000
Conductor pipe required None feet
Minimum surface pipe required 40 feet per Alt. Y2
Approved by: Rut 6-8-06/RUH 7-31-06
This authorization expires: 12-8-06
(This authorization void if drilling not started within 6 months of approval 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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JUL 28 2006
KCC WICHITA