

* Permit Extension *

For KCC Use:
Effective Date: 3-5-06
District #: 3
SGA? ☐ Yes ☒ No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

Permit Extension
Request Received 6-26-06 Form C-1
December 2002
Form must be Typed
Form must be Signed
All blanks must be Filled

Expected Spud Date 2/22/06
month day year

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

CONTRACTOR: License# 33539
Name: Cherokee Wells, LLC

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

If OWO: 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 #: _____

Spot SE4 SE4 NE4 Sec. 2 Twp. 29S S. R. 14E ☒ East
2310' feet from ☒ N / ☐ S Line of Section
330' feet from ☒ E / ☐ W Line of Section
Is SECTION ☒ Regular ☐ Irregular?

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

County: Wilson

Lease Name: Richardson Well #: A-7

Field Name: Cherokee Basin Coal Gas CM

Is this a Prorated / Spaced Field? ☐ Yes ☒ No

Target Formation(s): Mississippian

Nearest Lease or unit boundary: 330'

Ground Surface Elevation: 875.5 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: _____

KCC WICHITA AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-61-504.

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: 2/22/06 Signature of Operator or Agent: Charlotte Dr. Keplart Title: Agent

For KCC Use ONLY

API # 15 - 205-26399-00-00

Conductor pipe required NONE feet

Minimum surface pipe required 40' feet per Alt. X (2)

Approved by: DPW 2-28-06 / Rut 62706

This authorization expires: 2-28-07

(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: Jacy Miller

Date: 7/14/09

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

RECEIVED

KANSAS CORPORATION COMMISSION

FEB 24 2006

CONSERVATION DIVISION
WICHITA, KS

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