

For KCC Use: 4-2-06
 Effective Date: 4-2-06
 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 3/31/06
 month day year

Spot East
 E2 NE4 NE4 Sec. 8 Twp. 28 S. R. 15E 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: Frank Sewart Well #: A-5
 Field Name: Cherokee Basin Coal Gas

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

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Mississippian
 Nearest Lease or unit boundary: 330

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

Ground Surface Elevation: Unknown feet MSL
 Water well within one-quarter mile: Yes No
 Public water supply well within one mile: Yes No

Directional, Deviated or Horizontal wellbore? Yes No
 If Yes, true vertical depth: _____
 Bottom Hole Location: _____
 KCC DKT #: _____

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 _____

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: 3/27/06 Signature of Operator or Agent: Charlotte D. Kephrat Title: Agent

RECEIVED
 JUL 16 2009
 KANSAS CORPORATION COMMISSION
 MAR 28 2006
 CONSERVATION DIVISION
 WICHITA, KS

For KCC Use ONLY
 API # 15 - 205-26457-00-00
 Conductor pipe required NONE feet
 Minimum surface pipe required 20' feet per Alt. X (2)
 Approved by: DPW 3-28-06
 This authorization expires: 9-28-06
 (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 proraton 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.

Well Not Drilled - Permit Expired
 Signature of Operator or Agent: Suey Miller
 Date: 7/14/09

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

8
 28
 15E