

For KCC Use:  
 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 Ap. 5/2

Spot  East  
 S2 NW SE Sec. 32 Twp. 27 S. R. 15E  
 1370 feet from  N /  S Line of Section  
 1980 feet from  E /  W Line of Section

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

Is SECTION  Regular  Irregular?  
 (Note: Locate well on the Section Plat on reverse side)

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

County: Wilson  
 Lease Name: S Matthews Well #: A-2 SWD  
 Field Name: Cherokee Basin Coal Gas

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

Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Arbuckle  
 Nearest Lease or unit boundary: 660'  
 Ground Surface Elevation: Unknown 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: 1750'  
 Formation at Total Depth: Arbuckle  
 Water Source for Drilling Operations:  
 Well  Farm Pond  Other

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 #: \_\_\_\_\_

(Note: Apply for Permit with DWR )  
 Will Cores be taken?  Yes  No  
 If Yes, proposed zone: \_\_\_\_\_

**AFFIDAVIT**

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-81-201. 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 well 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. Keplart Title: Agent

**For KCC Use ONLY**  
 API # 15 - 205-26452-00-00  
 Conductor pipe required None feet  
 Minimum surface pipe required 20' feet per Alt. **X2**  
 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 Drift 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: Tracy Miller  
 Date: 7/14/09

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

RECEIVED  
 JUL 16 2009  
 RECEIVED  
 MAR 28 2006

KCC WICHITA CONSERVATION DIVISION  
 WICHITA, KS

32  
 27  
 156