

For KCC Use: 11-27-06
Effective Date: 3
District #
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

CORRECTED

Form C-1

December 2002

Form must be Typed

Form must be Signed

All blanks must be Filled

Expected Spud Date 11/27/06
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: Rhonda Wilson
Phone: (820) 378-3850

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

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

If OWD: 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 #:

Oil & Gas Lease Attached DEC 06 2006

Spot SE NE SE * 28
* 1650 feet from
* 100 feet from
is SECTION Regular Irregular

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

County: Wilson

Lease Name: Haley Beard

Field Name: Cherokee Basin Coal/Mississippian

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

Target Formation(s): Mississippian

Nearest Lease or unit boundary 330

Ground Surface Elevation: n/a 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 Feet Minimum

Length of Conductor Pipe required: none

Projected Total Depth: 1,350 Feet

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:

CONSERVATION DIVISION

AFFIDAVIT

RECEIVED

The undersigned hereby affirms that the completion and eventual plugging of this well will comply with KSA 58-5101. 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 cemented 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 #133,881-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: 11/21/06 Signature of Operator or Agent: Rhonda Wilson Title: Office Manager

For KCC Use ONLY

API # 15 - 205-27033-00-00

Conductor pipe required NONE feet

Minimum surface pipe required 40 feet per AIL

Approved by: WHTM 11-27-06 / RWH 12-10-06

This authorization expires: 5-27-07

(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 Internal Drilling
- 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: Mary Miller

Date: 3/26/09

Mail to: KCC - Conservation Division, 138 S. Market - Room 2078, Wichita, Kansas 67202



CORPORATION COMMISSION

Kathleen Sebellus, Governor Thomas E. Wright, Chairman Michael C. Moffet, Commissioner Joseph F. Harkins, Commissioner

REQUEST FOR INFORMATION

March 10, 2009

BLUE JAY OPERATING, LLC -- KCC LICENSE # 33342
4916 CP BOWIE BLVD STE 204
FORT WORTH, TX 76107

RE: API Well No. 15-205-27033-00-00
HALEY BEARD A-1
SENESE, 28-27S-15E
WILSON County, Kansas

Dear Operator:

According to KCC records, the Intent to Drill approved by the KCC Conservation Division on November 22, 2006, for the well listed above, has expired. The KCC has not received a spud call or an ACO-1 Completion Report on this well.

If drilling operations on the well never commenced, please check, sign and date below and return this letter to the KCC Wichita office in the enclosed return envelope.

☒ Well not drilled: Signature Mark Miller
Date: 3/25/09

If the well has been drilled, please submit the required ACO-1 Completion Report with all attachments for this well along with a copy of this letter to the KCC Wichita office.

In either case please provide the requested information within 30 days from the date of this letter. Pursuant to K.A.R. 82-3-128, failure to respond to this letter with the requested information may result in assessment of a monetary penalty of \$100.00. Failure to file the ACO-1 form, if applicable, may result in assessment of a monetary penalty of \$500.00.

We appreciate your cooperation in this matter. If you have any questions, please contact me at (316) 337-6200.

Very truly yours,

Steve Bond

Steve Bond
Production Department Supervisor

RECEIVED
JUL 16 2009
KCC WICHITA

CONSERVATION DIVISION
Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802
(316) 337-6200 • Fax (316) 337-6211 • <http://kcc.ks.gov/>