NOTICE OF INTENT TO DRILL

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

For KCC Use: 5.9.04

District # 1

SGA? Yes No

Expected Spud Date May 20, 2004

OPERATOR: Licensee Name: Blue Ridge Petroleum Corporation
P.O. Box 1913
Enid, OK 73702-1913
Contact Person: Jonathan Allen
Phone: (580) 242-3732

CONTRACTOR: Licensee: 5142
Name: Sterling Drilling Company

KCC WICHITA

Drilled For: Oil Gas Storage Disposal SEIS Seismic Other

Class: Infield Pool Ext. Wildcat Other

Type Equipment: Mud Rotary Air Rotary Cable Other

Spot: Ap 150 N at

NW SW

Sec. 5 Twp. 26 S. 16

LINE OF SECTION

East West

feet from Line of Section

feet from Line of Section

Is SECTION Regular Irregular

(1) Locate well on the Section Plat on reverse side

County: Edwards
Lease Name: Wood
Field Name: Wildcat

Is this a Prorated / Spaced Field?

Target Formation(s): Mississippian / Kinderhook

Nearest Lease or unit boundary:

Ground Surface Elevation: 2900 feet MSL

Water well within one-quarter mile:

Public water supply well within one mile:

Depth to bottom of fresh water:

Depth to bottom of usable water:

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be Set: 400 feet

Length of Conductor Pipe required: NONE

Projected Total Depth: 4800 feet

Formation at Total Depth: Arbuckle

Water Source for Drilling Operations:

DWR Permit # pending

(2) Apply for Permit with DWR

Will Cores be Taken?

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 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.

Oilfield 

Date: April 27, 2004

Signature of Operator or Agent: Jonathan Allen
Title: President

For KCC Use ONLY

API # 15 - 047 21494 00 00

Conductor pipe required NONE feet

Minimum surface pipe required 280 feet per Alt. 0'

Approved by: RSP 5.4.04

This authorization expires: 11 4 09

(This authorization void if drilling not started within 6 months of effective date.)

Spud date: Agent:

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field, complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15
Operator: BlueRidge Petroleum Corporation
Lease: Wood
Well Number: #1-5
Field: Wildcat

Number of Acres attributable to well: __________
QTR / QTR / QTR of acreage: __________

Location of Well: County: Edwards
2130 feet from N / S Line of Section
640 feet from E / W Line of Section
Sec. 5 Twp. 26 S. R. 16 East West

Is Section: □ Regular or □ Irregular
If Section is Irregular, locate well from nearest corner boundary.
Section corner used: □ NE □ NW □ SE □ SW

PLAT
(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)

NOTE: In all cases locate the spot of the proposed drilling location.

In plotting the proposed location of the well, you must show:
1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section’s south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).
May 4, 2004

Mr. Jonathan Allen
BlueRidge Petroleum Corporation
PO Box 1913
Enid, OK 73702-1913

RE: Drilling Pit Application
Wood Lease Well No. 1-5
SW/4 Sec. 05-26S-16W
Edwards County, Kansas

Dear Mr. Allen:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed without slots, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again as soon as practical after drilling operations have ceased.

If production casing is set all completion fluids shall be removed on a daily basis.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 when the fluids have been removed. Also please file the enclosed CDP-5 form, Surface Pond Waste Transfer, within 30 days of fluid removal.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill.
If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,

Kathleen Haynes
Environmental Protection and Remediation Department

cc: S Durrant