KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL
Must be approved by KCC five (5) days prior to commencing well

For KCC Use:
Effective Date: 11-23-04
District #: 3
SGA? ☐ Yes ☑ No

Expected Spud Date: December 1, 2004

OPERATOR: License# 33342
Name: Blue Jay Operating, LLC
Address: 4916 Camp Bowie Blvd., Suite 204
City/State/Zip: Fort Worth, Texas 76107
Contact Person: Bob McNew
Phone: 918-625-4180

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

Well Drilled For: Oil Gas Storage Air Rotory OWO Disposal Seismic
Well Class: Mud Rotary Infeld Pool Ext. Wildcat
Type Equipment:

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 #: __________

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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 pass 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 #133,861-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.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 11-16-04
Signature of Operator or Agent: ___________________________
Title: ___________________________

KANSAS CORPORATION COMMISSION
RECEIVED
NOV 18 2004

CONSERVATION DIVISION

For KCC Use ONLY
API #: 15 - 205 - 25930 0000

Conductor pipe required: None
Minimum surface pipe required: 42 feet per Alt. 3
Approved by: 11-18-04
This authorization expires: 5-18-05
(THIS AUTHORIZATION VOID IF DRILLING NOT STARTED WITHIN 6 MONTHS OF EFFECTIVE DATE.)

Spud date: 12-1-04
Agent: ___________________________

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: ___________________________
Date: ___________________________

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: Blue Jay Operating LLC
Lease: Schmidt
Well Number: 1
Field: Cherokee Basin Coal Gas

Number of Acres attributable to well: ____________________________
QTR / QTR / QTR of acreage: NE/4 , SE/4 , SE/4

Location of Well: County: Wilson
950 feet from N / S Line of Section
665 feet from E / W Line of Section
Sec. 2 Twp. 30 S, R. 14 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).