NOTICE OF INTENT TO DRILL

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

expected Spud Date October 10, 2004

OPERATOR: Licensee 33432
Name: Blue Jay Operating LLC
Address: 4618 Camp Bowie
City/State/Zip: Forth Worth, Texas 76107
Contact Person: Tommie L. Goodell
Phone: 2244-360-1204

CONTRACTOR: Licensee 33072
Name: WellRefrained Drilling Co., Inc.

Well Drilled For: Oil
Well Class: Field
Type Equipment: Mud Rotary

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 #: KS-330 FUL 330 FUL 330 FUL 330 FUL 330 FUL

AFFIDAVIT
The undersigned hereby affirms that the drilling, completion and eventual plugging of this well shall 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: 10-03-04
Signature of Operator or Agent:

Landman/Agent

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

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OCT 5 2004
KCC WICHITA
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, please show all the wells and within 1 mile of the boundary of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundary of the proposed acreage attribution unit for oil wells.

API No. 15 -  
Operator: Blue Jay Operating LLC  
Lease: Thiesen
Well Number: A-3  
Field: Cherokee Basin Coal Gas Area
Number of Acres attributable to well: 40  
QTR / QTR / QTR of acreage: NW/4  
Location of Well: County: Wilson
330' south of Line of Section Line of Section
-3791 19/15
feet from N / S Line of Section
Sec. 11  
Twp. 30  
R. 14  
W East / West
Is Section: □ Regular or □ Irregular

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

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

RECEIVED  
KANSAS CORPORATION COMMISSION  
OCT 05 2004  
CONSERVATION DIVISION  
WICHITA, KS

EXAMPLE

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 quarter in which you are making the plot, the number of the section in the quarter, and the number of the lease or unit boundary line
2. The distance of the proposed drilling location from the section line in the quarter, north and east
3. The distance to the nearest lease or unit boundary line
4. If the proposed location is located within a prorated or spaced field, a copy of acreage attribution plat must be attached. (CC 7 for all works, GCR 8 for gas works)