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: 10-11-04
Effective Date: __________________________
District #: ___________________
SOC? □ Yes □ No

Expected Spud Date: October 10, 2004

OPERATOR: Licensed: 33342 12/30/04
Name: Blue Jay Operating LLC
Address: 4916 Camp Bowie, Fort Worth, Texas 76107
Contact Person: Burke New
Phone: 914-625-4180

CONTRACTOR: Licensed: 33072 7/30/05
Name: Wellrefined Drilling Co., Inc.

Well Drilled For: ◐ Oil ◐ Gas ◐ Natural Gas Storage ◐ Oil & Gas Disposal ◐ Water Oil & Gas Disposal ◐ Wildcat ◐ Seismic ◐ Other
Well Class: ◐ Onland ◐ Offshore
Type Equipment: ◐ Mud Rotary ◐ Air Rotary ◐ Infield ◐ Pool Ext. ◐ Outfield

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 #: 1A00 FNL, 2810 FNL, 58219 FNL, SW NW
1900, 58219 FNL, 2810 FNL, SW NW

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 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 abandoned. 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 not false.

Date: 10/03/04
Signature of Operator or Agent: ___________________________
Title: Landman/Agent:

For KCC Use ONLY
API #: 205-25870-00-00
Conductor pipe required: None feet
Minimum surface pipe required: 40 feet per Alt. of 10
Approved by: 2810 FNL, 58219 FNL, SW NW
This authorization expires: 9/16/05
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: 10/10/04
Agent:

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

RECEIVED
NOV 8 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 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: Thiessen
Well Number: A-4
Field: Cherokee Basin Coal Gas Area
Number of Acres attributable to well: 40
QTR / QTR / QTR of acreage: SE1/4 NE1/4 NW1/4 SW1/4

Location of Well: County: Wilson
620 19C C feet from N Line of Section
2310 19C C feet from E Line of Section
Sec. 11 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-6 for gas wells).