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 Only
API #: 205, 26104-00-00

Conductor pipe diameter: 40 feet per 100 feet

Gallium section used to drilling at least 120 feet in effective water

Date of filing: 6/30/05

Signature of Operator or Agent: Charlotte D. Kepl bach, Agent

Affidavit

The undersigned hereby affirms that the drilling, completion, and over-all plugging of this well will comply with K.S.A. 55-11 et seq.

It is agreed upon the following minimum requirements will be met:

1. Notify the appropriate district office prior to spudding of well.
2. Copy of the approved notice of intent to drill shall be posted on each drilling rig.
3. The minimum amount of warfare pipe as specified below shall be set by competing 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 is abandoned.
6. If an ALTERNATIVE II COMPLETION, production pipe shall be cemented from below any usable water to surface within 50 days of spudding of the well.

On pursuant to Appendix "A" of Eastern Kansas Surface casing over $13,591.11, which applies to the KCC District 3 in Kansas, it is recommended and otherwise that must be submitted within 30 days of the spudding date or the well shall be plugged. In addition, 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: 6/30/05

Mail to: KCC - Conservation Division, 130 S. Merkert - Room 204, Wichita, Kansas 67202

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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 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: Jantz
Well Number: 5-2
Field: Cherokee Basin Coal Gas
Number of Acres attributable to well: 80
QTR / QTR / QTR of acreage: NE4, SW

Location of Well: County: Wilson
660' 
1980' feet from 
90' Line of Section
6 Line of Section
1980' 
285' feet from 
7 E / 14 W Line of Section
285 S _ 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. (CD-7 for oil wells; CG-8 for gas wells).