KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

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

For KCC Use Only

Form 6.1
December 2000
Form must be Typed
All blanks must be Filled

KCC Corporation

June 1, 2005

Expected Spud Date

month

day

year

OPERATOR

Licensed 33342

Blue Jay Operating, LLC

Address:

6915 Bulte Suite 234

Globe/State/Tax:

Fort Worth, TX 76107

Contact Person:

Bob McGowen

Phone:

718-629-1110

Contact Person:

Lee McPherson

Phone:

718-629-1110

CONTRACTOR

Licensed 33539

O西南enwell, LLC

Well Drilled For:

Oil

Gas

Storage

Disposal

Wet Gas

Mud Rotary

Well Class:

Type Equipment:

Silent

Pedestal

Air Rotary

Screw

# of Holes

Other

If DWDD: old well information as follows:

Well Name:

Original Completion Date:

Original Total Depth:

Directional, Deviated or Horizontal well:

Yes

No

If yes, true vertical depth:

Bottom Hole Location:

KCC DKT:

5/23/05

Signature of Operator or Agent:

Charlotte O'Keefe

Title: Agent

Date:

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APF 15 - 26083.000

Conductor pipe required:

None

Minimum surface pipe required:

40 feet per ft.

This authorization expires: 6/21/05

This authorization used valid 6 months of effective date.

Spud date:

Signature of Operator or Agent:

Mail to: KCC - Conservation Division, 135 S. Market - Room 2078, Wichita, Kansas 67202

Spud SE4

NW4

Sec. 34

T. 55 N

R. 14 W

Well

West

N

W

Line of Section

Line of Section

Is SECTION?

Regular

Vacant

# 5-77

First Name:

Cherokee Basin Coal Gas

Is this a Powdered / Spaced Fracture?

Yes

No

Target Formation:

Mississippian

Nearest Lease or Unit Boundary:

340 feet

Ground Surface Elevation:

380'

Depth to bottom of fresh water:

300'

Test Mill:

Yes

No

Surface Pipe by Alternate:

40 feet

Length of Surface Pipe Planned to be set:

Minimum of 40 feet

Length of Conductor Pipe required:

None

Projected Total Depth:

1300'

Formation at Total Depth:

Mississippian

Water Source for Drilling Operations:

Well

Farm Pond

Other

DWR Permit #:

(Note: Apply for Permit with DWR)

Will Come In?

Yes

No

If No, proposed zone:

Affidavit

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 Bd. sec.

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

1. Nails 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 in 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 drill depth and placement is necessary prior to drilling;

5. The appropriate district office shall be notified before well is either plugged or production casing is cemented in;

6. If an Alternate II Completion, production pipe shall be cemented four feet below any usable water to surface within 120 days of spud date.

On pursuant to Appendices "B" - Eastern Kansas surface casing coter (4" x 4") 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 cementing.

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

Signature of Operator or Agent:

Charlotte O'Keefe

Title: Agent

Remember:

- Final DFI Pit Inspection from CDP-1 without intent to drill;
- Fire Completion Form ACD-1 within 120 days of spud date;
- Fire protection plan according to KCC approved drilling permit;
- Notify appropriate district office 18 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or incinerating oil water;
- If this permit has expired (See above expiration date) please check the box below and return to the address below.

Well Not Drilled - Permit Expired

Signature of Operator or Agent:

Date:

-
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Full 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 supplies. 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.

Area No. 15: 
Operator: Sunray Operating, LLC
Lease: Onal
Well Number: A-17
Field: Cherokee Basin Coal Gas

Number of Acres attributable to well: 80
QTR / QTR / QTR of acreage: SE4, SE4, NW4

Location of Well: County: Wilson

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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.)

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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: (CO-7 for oil wells; CO-8 for gas wells).