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

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

Form C-1
December 2000
Postcard must be Typed
Print must be Signed
All blanks must be Filled

For KCC Use
Document # 7/29/05
District # 7305
SOAT Yes No

OPERATOR:
Name: Blue Jay Operating, LLC
Address: 5916 Camp Bowie Blvd., Suite 204
City/State/Zip:
Contact Person: Bob Mccaw
Phone: 9108-28-1480

CONTRACTOR:
Name: Cherokee Wells, LLC

Well Drilled For:

Well Class:

Type Equipment:

Oil Em Rec Gas Storage Pool Ext.

Mud Hault

Drill: Other

If OWWO: old well information as follows:

Operator:
Well Name:
Original Completion Date:
Original Total Depth:
Directional, Deviated or Horizontal well?

If "Yes", true vertical depth:
Bottom Hole Location:
KCC Off #

Sections:

Input:

Feet from N Line of Section
Feet from E Line of Section

Is Section Regular Irregular

County:

Lease Name:

Lot in

Is this the Proposed / Spaced Field?

Target Formation:

Nearest Lease or unit boundary:

Ground Surface Elevation:

Water well within one-quarter mile:

Public water supply well within one mile:

Depth to bottom of fresh water:

Depth to bottom of usable water:

Surface Pipe by Alternate:

Length of Surface Pipe Preferred to be Set:

Length of Conductor Pipe required:

Projected Total Depth:

Formation at Total Depth:

Water Source for Drilling Operations:

DWP Permit #

Will Core be taken?

If "Yes", proposed zone:

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-1 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 a 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 bottom any usable water to within 120 days of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing over 1133.89 ft-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 correct to the best of my knowledge and belief.

Date: 7/29/05
Signature of Operator or Agent:

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

For KCC Use Only
API # 15. 205-26142-0000

Minimum surface pipe required: 40 feet per Acre

Approved by: 08-17-05

This authorization void if drilling not started within 6 months of effective date.

Spud date:

Agent:

Remember to:

- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACD-1 within 120 days of spud date;
- File acreage attribution plan according to field production 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 of contaminated salt water.
- If this permit has expired (See Approvals expiration date) please check the box below and return to the address below.

Well has Drilled Permit Expired

Signature of Operator or Agent:

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

23 28 14
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 0.2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

APINo. 15

Operator: Blue Jay Operating, LLC

Lease: Reutlinger

Well Number: A-5

Field: Cherokee Basin Coal Gas

Number of Acres attributable to well: 80

QTR / QTR / QTR of acreage: C, SW4, NW4

Location of Wall: County: Wilson

W 660’

feet from N / S Line of Section

feet from E / W Line of Section

Sec. 23, Twp. 28S, R. 14E

Net: ☒ Regular or ☐ Irregular

If Section is Irregular, locate well from nearest corner boundary.

Section corner used: ☐ NW8, ☐ NW4, ☐ SE4, ☐ SW

PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)

(Show location 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. (CG-7 for oil wells; CG-8 for gas wells).