For KCC Use: Effective Date: 11-2-04 District # SGA? Yes V No

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 2002
Form must be Typed
Form must be Signed
All blanks must be Filled

| Expected Spud Date _November 10, 2004 | Spot W East |
|--|--|
| month day year | C NF NW 16 31 19 East |
| OPERATOR: License# 33344 12/36/64 | |
| Name: Quest Cherokee, LLC | 1000 Idet from N / S Line of Section |
| Address: P. O. Box 100 | Is SECTION feet from E / W Line of Section |
| City/State/Zip: Benedict, Ks 66714 | |
| Contact Person: Doug Lamb | (Note: Locate well on the Section Plat on reverse side) |
| Phone: 620-698-2250 | County: Labette |
| | Lease Name: Phillips, Calvin D. Well #: 16-1 Field Name: Cherokee Basin CBM |
| CONTRACTOR: License# Will be licensed by KCC | |
| Name: Will Advise on ACO -1 | Is this a Prorated / Spaced Field? Yes No |
| | Target Information(s): Arbuckle Dolomite |
| Well Dulled For: Well Class: Type Equipment: | Nearest Lease or unit boundary: 660 |
| Oil Enh Rec Infield Mud Rotary | Ground Surface Elevation: 914 feet MSL |
| ✓ Gas Storage Pool Ext. ✓ Air Rotary | Water well within one-quarter mile: |
| O/WO Disposal Wildcat Cable | Public water supply well within one mile: |
| Seismic;# of Holes Other | Depth to bottom of fresh water: 100 + |
| Other | Depth to bottom of usable water: 200 |
| If OWWO: old well information as follows: | Surface Pipe by Alternate: 1 2 |
| _ | Length of Surface Pipe Planned to be set: 25 |
| Operator: | Length of Conductor Pipe required: Node |
| Well Name: | Projected Total Depth: 1500 |
| Original Completion Date:Original Total Depth: | Formation at Total Depth: Arbuckle Dolomite |
| Directional, Deviated or Horizontal wellbore? | Water Source for Drilling Operations: |
| If Yes, true vertical depth: | Well Farm Pond Other Air |
| Bottom Hole Location: | DWR Permit #: |
| KCC DKT #: | (Note: Apply for Permit with DWR) Will Cores be taken? |
| | Will Cores be taken? If Yes, proposed zone: |
| | |
| | IDAVIT RECEIVED |
| The undersigned hereby affirms that the drilling, completion and eventual p | lugging of this well will comply with K.S.A. 55 et. seq. |
| t is agreed that the following minimum requirements will be met: | OCT 2 8 2004 |
| Notify the appropriate district office <i>prior</i> to spudding of well; | |
| 2. A copy of the approved notice of intent to drill shall be posted on ea | ch drilling rig; CONSERVATION DIVISION |
| through all unconsolidated materials plus a minimum of 20 feet into the | of by circulating cement to the top; in all cases surface with the set |
| 4. If the well is dry hole, an agreement between the operator and the o | listrict office on plug length and placement is necessary prior to plugging |
| o. The appropriate district office will be trofflied before well is either billion | IGEG OF DEGILICATION CASING IS COMENTED IN: |
| a. If an ALIEMNAIE II COMPLETION, production pipe shall be cement | ed from below any usable water to surface within 120 days of any date |
| or pursuant to Appendix b - Eastern Kansas surface casing order | #133.891-C. which applies to the KCC District 3 area, alternate II assenting |
| hereby cartify that the statements made have a special statement and a have been small beautiful that the statements made have been small beautiful that the statement of the st | be plugged. In all cases, NOTIFY district office prior to any cementing. |
| hereby certify that the statements made herein are true and to the best of | my knowledge and belief. |
| Date: 10/27/04 Signature of Operator or Agent: 10/27/04 | Title: Engineering Manager |
| | Remember to: |
| For KCC Use ONLY | - File Drill Pit Application (form CDP-1) with Intent to Drill; |
| API # 15 - 099 - 236/60000 | - File Completion Form ACO-1 within 120 days of spud date; |
| 2 de la companya della companya della companya de la companya della companya dell | - File acreage attribution plat according to field proration orders; |
| 2- | - Notify appropriate district office 48 hours prior to workover or re-entry; |
| Minimum surface pipe required feet per Alt. 7 (2) | Submit plugging report (CP-4) after plugging is completed; |
| Approved by: V23-04 | - Obtain written approval before disposing or injecting salt water. |
| This authorization expires: 4.28.05 | - If this permit has expired (See: authorized expiration date) please |
| (This authorization void if drilling not started within 6 months of effective date.) | check the box below and return to the address below. |
| Could date: | Well Not Drilled - Permit Expired |
| Spud date:Agent: | Signature of Operator or Agent: |
| | |
| 50 30 3 | Date: |

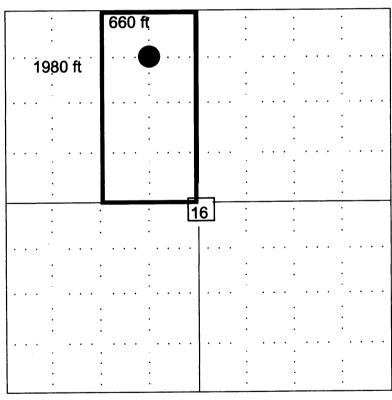
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

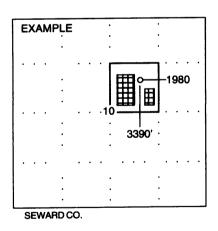
Plat of acreage attributable to a well in a prorated or spaced field

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 - | Location of Well: County: Labette |
|--|--|
| Operator: Quest Cherokee, LLC | 660 feet from N / S Line of Section |
| Lease: Phillips, Calvin D. | 1980 feet from E / W Line of Section |
| Well Number: 16-1 | Sec. 16 Twp. 31 S. R. 18 |
| Field: Cherokee Basin CBM | |
| Number of Acres attributable to well: 40 | Is Section: Pegular or Irregular |
| QTR / QTR / QTR of acreage: NE NW | 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 locaton.

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-8 for gas wells).