KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

JUN 2 3 2006

Form C-1 December 2002

Form must be Typed

District # NOTICE OF INTENT TO DRILL Form must be Signed SGA? Yes X No Must be approved by KCC five (5) days prior to commencing CONSERVATION DIVISION blanks must be Filled WICHITA, KS June 22, 2006 Expected Spud Date ✓ East Twp. 27 dav . S. R. 17 West 1980 N / S Line of Section OPERATOR: License# 33344 2120 Name: Quest Cherokee, LLC E / W Line of Section Address: 9520 N. May Ave, Suite 300 Is SECTION ____Regular __ _Irregular? City/State/Zip: Oklahoma City, OK 73120 (Note: Locate well on the Section Plat on reverse side) Contact Person: Richard Marlin County: Wilson Phone: 405-488-1304 Lease Name: Thorsell, William R Field Name: Cherokee Basin CBM CONTRACTOR: License# Will be licensed by KCC Is this a Prorated / Spaced Fleid? Name: Will Advise on ACO -1 Target Information(s): Arbuckle Dolomite Nearest Lease or unit boundary: 520 Well Drilled For: Well Class: Type Equipment: Ground Surface Elevation: 996 feet MSL Oil Enh Rec Infield Mud Rotary Yes VNo Water well within one-quarter mile: Gas Storage Pool Ext. ✓ Air Rotary ✓ Public water supply well within one mile: **✓** No OWWD Disposal Wildcat Cable Depth to bottom of fresh water: 100 Seismic: # of Holes Depth to bottom of usable water: 200 Other Surface Pipe by Alternate: 1 Length of Surface Pipe Planned to be set: 25 If OWWO: old well information as follows: Length of Conductor Pipe required: Operator: Projected Total Depth: 1500 Well Name: Arbuckle Dolomite Formation at Total Depth:_ Original Completion Date:_ _Original Total Depth:_ Water Source for Drilling Operations: Yes V No Directional, Deviated or Horizontal wellbore? | Well | Farm Pond If Yes, true vertical depth: DWR Permit #: Bottom Hole Location:_ (Note: Apply for Permit with DWR) KCC DKT #:_ Yes 🗸 No Will Cores 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 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 to 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 plugged. 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 and belief Date: 6/22/06 Title: Vice President Signature of Operator or Agent:_

For KCC Use ONLY API # 15. 205-24, 800-000 Conductor pipe required None Minimum surface pipe required___ Approved by: <u>F446-</u>23-06 This authorization expires: 12-23-06 (This authorization void if drilling not started within 6 months of effective date.) Spud date:_ . Agent:

For KCC Use:

Effective Date

Remember to:

- File Drill Pit Application (form CDP-1) with Intent to Drill;

File Completion Form ACO-1 within 120 days of spud date; File acreage attribution plat according to field proration 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 or injecting salt water.

If this permit has expired (See: authorized expiration date) please check the box below and return to the address below

Well Not Orilled - Permit Expired
Signature of Operator or Agent:
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

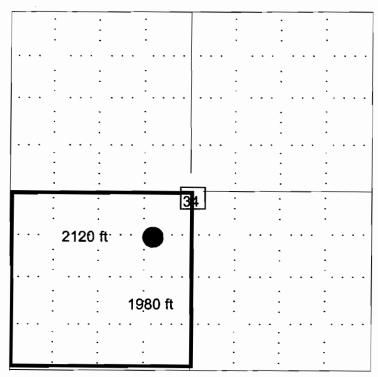
If the Intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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.

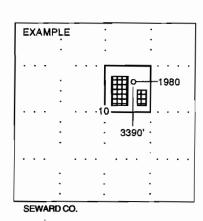
API No. 15 - 205-26800-000	Location of Well: County: Wilson
Operator: Quest Cherokee, LLC	1980 teet from N / V S Line of Section
Lease: Thorsell, William R	2120 feet from E / W Line of Section
Well Number: 34-1 Field: Cherokee Basin CBM	Sec. 34 Twp. 27 S. R. 17
Number of Acres attributable to well: 160	is Section: 🔽 Regular or 🗌 irregular
QTR / QTR / QTR of acreage: NE SW	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:

- 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).

RECEIVED KANSAS CORPORATION COMMISSION

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

JUN 2 3 2006 April 2004 Form must be Typed

Form CDP-1

APPLICATION FOR SURFACE PIT

CONSERVATION DIVISION WICHITA, KS

Submit in Duplicate Operator Name: Quest Cherokee, LLC License Number: 33344 Operator Address: 9520 N. May Ave, Suite Contact Person: Richard Marlin Phone Number: (405)488 - 1304 Lease Name & Well No.: Thorsell, William R 34-1 Pit Location (QQQQ): . NE . SW Type of Pit: Sec. 34 Twp. 27 R. 17 Fast West ✔ Proposed Existing Emergency Pit Burn Pit 1980 If Existing, date constructed: Settling Pit ✔ Drilling Pit Feet from North / V South Line of Section Workover Pit Haul-Off Pit 2120 Feet from East / V West Line of Section Pit capacity: (If WP Supply API No. or Year Drilled) Wilson 300 (bbls) County Is the plt located in a Sensitive Ground Water Area? Yes (For Emergency Pits and Settling Pits only) Is the bottom below ground level? Artificial Liner? How is the pit lined if a plastic liner is not used? Yes V No Yes V No 10 30 Pit dimensions (all but working pits): _ Length (feet) _ Width (feet) N/A: Steel Pits Depth from ground level to deepest point: 10If the pit is lined give a brief description of the liner Describe procedures for periodic maintenance and determining material, thickness and installation procedure. liner integrity, including any special monitoring. Air Drilling Operation lasting approx. 3 days Distance to nearest water well within one-mile of pit Depth to shallowest fresh water _ Source of information: NA Depth of water well_ measured __ __well owner __ _ electric log _ KDWR Emergency, Settling and Burn Pits ONLY: Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: Air Drilled Producing Formation: Number of working pits to be utilized: One Number of producing wells on lease:___ Abandonment procedure: Air dry, backfill and cover Barrels of fluid produced daily:_ Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No Drill pits must be closed within 365 days of spud date. I hereby certify that the above statements are true and correct to the best of my knowledge and belief. 6/22/06 Signature of Applicant or Agent

KCC OFFICE USE ONLY

6/23/06 Permit Number:

Permit Date: 4/23/06 Lease Inspection: Yes X No