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KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1 December 2002

For KCC Use: Effective Date: 7-12-06 District #: 3 SGA? Yes No

JUL 07 2006

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

NOTICE OF INTENT TO DRILL

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

CONSERVATION DIVISION WICHITA, KS

Expected Spud Date July 13, 2006 month day year

Spot SE NW SW Sec. 29 Twp. 29S S. R. 18 East West 1800 feet from N S Line of Section 990 feet from E W Line of Section Is SECTION Regular Irregular?

OPERATOR: License# 33344 Name: Quest Cherokee LLC Address: 9520 North May Avenue, Suite 300 City/State/Zip: Oklahoma City, Oklahoma 73120 Contact Person: Richard Marlin Phone: (405) 286-9316

(Note: Locate well on the Section Plat on reverse side) County: Neosho Lease Name: Kepley Farms Well #: 29-2 Field Name: Cherokee Basin CBM

CONTRACTOR: License# Will be licensed by the KCC Name: Will advise on the ACO-1

Is this a Prorated / Spaced Field? Yes No Target Formation(s): Cherokee Coals Nearest Lease or unit boundary: 840

Well Drilled For: Oil Gas OWD Seismic Other Well Class: Enh Rec Storage Disposal Wildcat Other Well Class: Infield Pool Ext Wildcat Other Type Equipment: Mud Rotary Air Rotary Cable

Ground Surface Elevation: 1047 feet MSL Water well within one-quarter mile: Yes No Public water supply well within one mile: Yes No

If OWWO: old well information as follows: Operator: Well Name: Original Completion Date: Original Total Depth:

Depth to bottom of fresh water: 100 Depth to bottom of usable water: 200 Surface Pipe by Alternate: 1 2 Length of Surface Pipe Planned to be set: 25

Directional, Deviated or Horizontal wellbore? Yes No If Yes, true vertical depth: Bottom Hole Location: KCC DKT #:

Length of Conductor Pipe required: Projected Total Depth: 1500 Formation at Total Depth: Cherokee Coals

Water Source for Drilling Operations: Well Farm Pond Other Air DWR Permit #: (Note: Apply for Permit with DWR)

Will Cores be taken? Yes No 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: July 6, 2006 Signature of Operator or Agent: Title: VP

For KCC Use ONLY API # 15 - 133-26656-0000 Conductor pipe required None feet Minimum surface pipe required 20 feet per Alt. Approved by: P.H. 7-706 This authorization expires: 1-7-07 (This authorization void if drilling not started within 6 months of approval date.) Spud date: Agent:

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 Drilled - Permit Expired Signature of Operator or Agent: Date:

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

29 29 18E

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

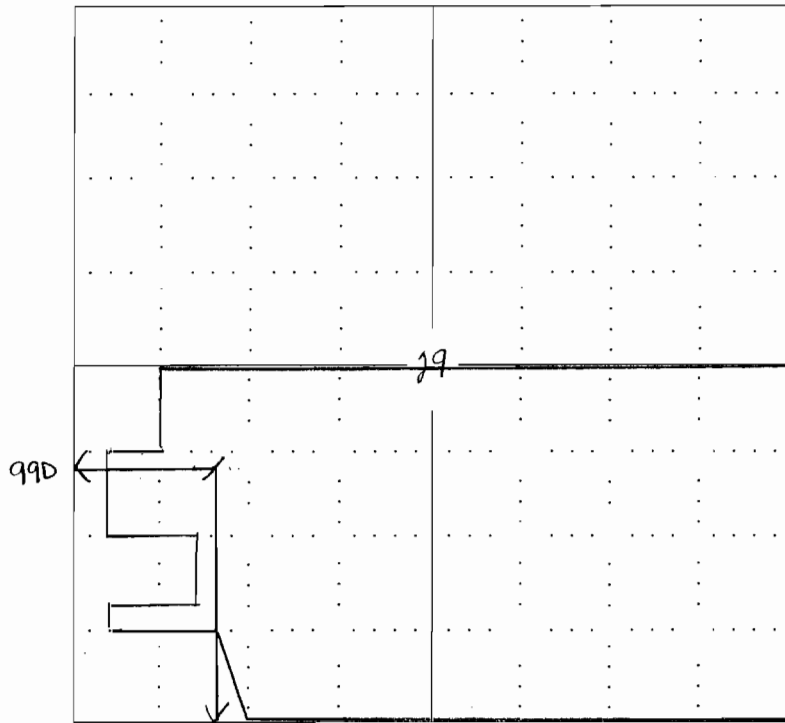
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 - 133-26656-0000
 Operator: Quest Cherokee LLC
 Lease: Kepley Farms
 Well Number: 29-2
 Field: Cherokee Basin CBM
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: _____ - NW - SW

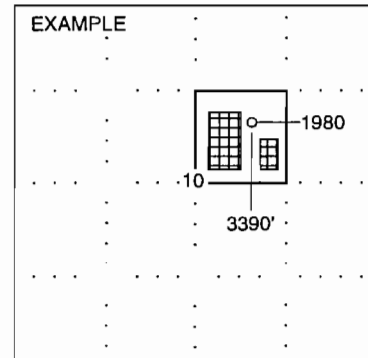
Location of Well: County: Neosho
 1800 _____ feet from N / S Line of Section
 990 _____ feet from E / W Line of Section
 Sec. 29 Twp. 29S S. R. 18 East West
 Is Section: Regular or Irregular
 If Section is Irregular, locate well from nearest corner boundary.
 Section corner used: NE NW SE SW

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.)*



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SEWARD CO.

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: (C0-7 for oil wells; CG-8 for gas wells).

