

For KCC Use: Effective Date: 8-23-06 District # 3 SGA? Yes No

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

CORRECTED

Form C-1 December 2002 must be Typed Form must be Signed All blanks must be Filled

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

Expected Spud Date August 24, 2006 month day year

Spot NE SW Sec. 18 Twp. 31 S. R. 19 East West

OPERATOR: License# 33344 Name: Quest Cherokee LLC Address: 9520 North May Avenue, Suite 300 City/State/Zip: Oklahoma City, Oklahoma 73120 Contact Person: Richard Merin Phone: (405) 286-9318

1830 feet from N / S Line of Section * 2027 feet from E / W Line of Section Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Labette Lease Name: Jungle, John M. Well #: 18-1 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? Cherokee Coals Yes No Target Formation(s): Cherokee Coals Nearest Lease or unit boundary: 660

Well Drilled For: Oil Gas OAWD Seismic: # of Holes Other Coalbed Methane Well Class: Enh Rec Storage Disposal Other Infield Pool Ext Wildcat Other Type Equipment: Mud Rotary Air Rotary Cable

Ground Surface Elevation: 942 feet MSL Water well within one-quarter mile: Yes No Public water supply well within one mile: Yes No

If OWWD: 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

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

If Yes, true vertical depth: Bottom Hole Location: KANSAS CORPORATION COMMISSION KCC DKT #:

Water Source for Drilling Operations: Well Farm Pond Other Air DWR Permit #:

Will Cores be taken? Yes No

If Yes, proposed zone:

* WAS: 1990' FWL IS: 2027' FWL SEP 12 2006

CONSERVATION DIVISION

AFFIDAVIT

RECEIVED KANSAS CORPORATION COMMISSION

AUG 18 2006

CONSERVATION DIVISION

The undersigned hereby affirms that the well 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 cemented 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: August 17, 2006 Signature of Operator or Agent: Title: VP

For KCC Use ONLY API # 15 - 099-24074-0000 Conductor pipe required None feet Minimum surface pipe required 20 feet per Alt. X2 Approved by: Date 8-18-06 / Ret 9-12-06 This authorization expires: 2-18-07 (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:

18 31 19E

CORRECTED

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 - 099-24074-000
Operator: Quest Cherokee LLC
Lease: Jungle, John M.
Well Number: 18-1
Field: Cherokee Basin CBM

Location of Well: County: Labette
1830 feet from N / S Line of Section
~~1830~~ 2027 feet from E / W Line of Section
Sec. 18 Twp. 31 S. R. 19 East West

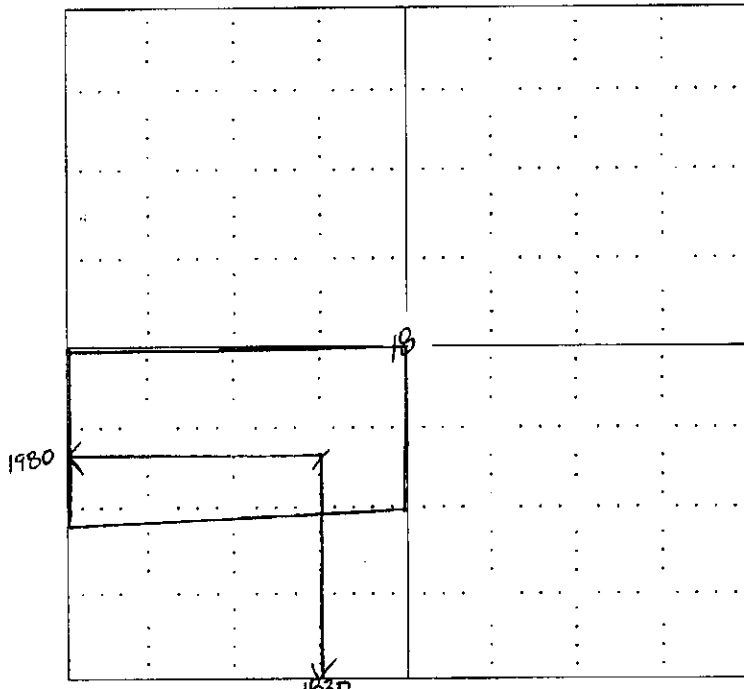
Number of Acres attributable to well: _____
QTR / QTR / QTR of acreage: _____ NE _____ SW

Is Section: Regular or Irregular

If Section is Irregular, locate well from nearest corner boundary.
Section corner used: NE NW SE SW

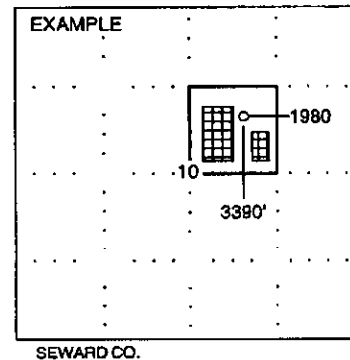
PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)



NOTE: In all cases locate the spot of the proposed drilling location.

RECEIVED
KANSAS CORPORATION COMMISSION
SEP 12 2006
CONSERVATION DIVISION
WICHITA, KS



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; CG-8 for gas wells).



15-099-24074-0000

Jungle, John M. 18-1
 1830 FSL - 2027 FWL
 18-31S-19E
 1" = 1,000'

RECEIVED
 KANSAS CORPORATION COMMISSION

SEP 12 2006


CONSERVATION DIVISION
 WICHITA, KS

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT

Form CDP-1
April 2004
Form must be Typed

CORRECTED

Submit in Duplicate

Operator Name: Quest Cherokee LLC		License Number: 33344	
Operator Address: 9520 North May Avenue, Suite 300 Oklahoma City, Oklahoma 73120			
Contact Person: Richard Marlin		Phone Number: (405) 286 - 9316	
Lease Name & Well No.: Jungle, John M. #18-1		Pit Location (QQQQ): _____ NE _____ SW Sec. 18 Twp. 31 R. 19 <input checked="" type="checkbox"/> East <input type="checkbox"/> West 1830 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 1900 2027 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Labette _____ County	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 300 (bbls)		
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used?	
Pit dimensions (all but working pits): 30 Length (feet) 10 Width (feet) _____ N/A: Steel Pits Depth from ground level to deepest point: 10 (feet)			
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. Air Drilling Operation lasting approx 3 days	
Distance to nearest water well within one-mile of pit N/A feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: _____ measured _____ well owner _____ electric log _____ KDWR	
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: Air Drilled Number of working pits to be utilized: One Abandonment procedure: Air Dry, Back Fill and Cover 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.			
August 17, 2006 Date		 Signature of Applicant or Agent	
		RECEIVED KANSAS CORPORATION COMMISSION AUG 18 2006 CONSERVATION DIVISION WICHITA, KS	
KCC OFFICE USE ONLY			
Date Received: 8/18/06 Permit Number: _____ Permit Date: 8/18/06 Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

RECEIVED
KANSAS CORPORATION COMMISSION

SEP 12 2006

CONSERVATION DIVISION
WICHITA, KS

15-099-24074-0000