# For KCC Use: Effective Date: 12-10-06 District #\_\_\_3

## KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

DEC 0 5 2006

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Form C-1 December 2002 Form must be Typed Form must be Signed

| SGA? Yes No NOTICE OF IN  Must be approved by KCC five  | TENT TO DRILL  All blanks must be Filled  (5) days prior to commencing WEERVATION DIVISION  WICHTA, KS   |
|---|--|
| December 11, 2006   | Spot Fast  |
| Expected Spud Date month day year   | NE NW Sec. 12 Twp. 29 S. R. 17 West  |
| 33344   | 660feet from V N / S Line of Section   |
| OPERATOR: License# 33344  | 1980 feet from E / W Line of Section   |
| Name: Quest Cherokee LLC Address: 9520 North May Avenue, Suite 300  | Is SECTION Regular Irregular?  |
| Address: Oklahoma City, Oklahoma 73120  City/State/Zip: Oklahoma 73120  | (Note: Locate well on the Section Plat on reverse side)  |
| Contact Person: Richard Marlin  | County: Neosho   |
| Phone: (405) 286-9308   | Lease Name. Brant, Wayne E. Well #: 12-1   |
|   | Field Name: Cherokee Basin CBM   |
| CONTRACTOR: License# Will be licensed by the KCC  | Is this a Prorated / Spaced Field?   |
| Name; Will advise on the ACO-1  | Target Formation(s): Cherokee Coals  |
| Well Drilled For: Well Class: Type Equipment:   | Nearest Lease or unit boundary:  |
| Oil Enh Rec Infield Mud Rotary  | Ground Surface Elevation: 953 feet MSL   |
| Gas Storage Pool Ext. Air Rotary  | Water well within one-quarter mile:  |
| OWNO Disposal Wildcat Cable   | Public water supply well within one mile: Yes ✓ No   |
| Saismic: # of Holes Other   | Depth to bottom of fresh water: 100  |
| ✓ Other Coalbed Methane   | Depth to bottom of usable water:   |
| <u></u>   | Surface Pipe by Alternate: 1 2 2   |
| If OWWO: old well information as follows:   | Length of Surface Pipe Planned to be set: 25  Length of Conductor Pipe required:   |
| Operator:   | Projected Total Depth: 1500  |
| Well Name:  | Formation at Total Depth: Cherokee Coals   |
| Original Completion Date:Original Total Depth:  | Water Source for Drilling Operations:  |
| Directional, Deviated or Horizontal wellbore? Yes ✓ No  | Well Farm Pond Other Air   |
| If Yes, true vertical depth:  | DWR Permit #:  |
| Bottom Hole Location:   | (Note: Apply for Permit with DWR [])   |
| KCC DKT #:  | Will Cores be taken? Yes ✓ No  |
|   | If Yes, proposed zone:   |
| AFF   | 'I'D AV/IT   |
| •   | IDAVIT   |
| The undersigned hereby affirms that the drilling, completion and eventual p   | lagging of this well will comply with N.O.A. 55 St. 554.   |
| It is agreed that the following minimum requirements will be met:   |  |
| <ol> <li>Notify the appropriate district office prior to spudding of well;</li> <li>A copy of the approved notice of intent to drill shall be posted on ea</li> </ol> | och drilling rig:  |
| 2. A copy of the approved holice of interfit to drift shall be posted on ea<br>3. The minimum amount of surface pine as specified below <b>shall be s</b> e           | et 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 t   | 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 plu   | gged or production casing is cemented in;  |
| 6. If an ALTERNATE II COMPLETION, production pipe shall be cemen  | ted from below any usable water to surface within 120 days of spud date.  # #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  |  |
| Thereby certify that the statements made north are the distriction  |  |
| Date: December 4, 2006 Signature of Operator or Agent:  | nd/Y)andaTitle: VP   |
| 1   | Remember to:   |
| For KCC Use ONLY  | - File Drill Pit Application (form CDP-1) with Intent to Drill;  |
| API # 15 - 133-26740-000  | - File Completion Form ACO-1 within 120 days of spud date;   |
| 1/0.0   | - File acreage attribution plat according to field proration orders;   |
| Conductor pipe required You feet  | - Notify appropriate district office 48 hours prior to workover or re-entry;   |
| Minimum surface pipe required feet per Alt. X 2   | - Submit plugging report (CP-4) after plugging is completed;   |
| Approved by: Put 12-506   | - Obtain written approval before disposing or injecting salt water.  |
| This authorization expires: 6-5-07  | - If this permit has expired (See: authorized expiration date) please  |
| (This authorization void if drilling not started within 6 months of approval date.)   | check the box below and return to the address below.   |
|   | Well Not Drilled - Permit Expired  |
| Spud date: Agent:   | Signature of Operator or Agent:  |
|   |  |
| Mail to: KCC - Conservation Division, 130   | S. Market - Room 2078, Wichita, Kansas 67202   |

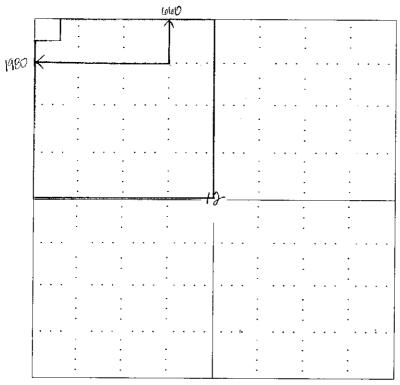
### IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

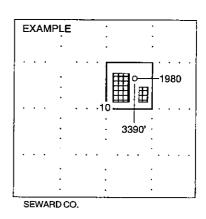
Plat of acreage attributable to a well in a prorated or spaced field

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 - /33-26740-0000                 | Location of Well: County: Neosho   |
|---|--|
| Operator: Quest Cherokee LLC                | 660 feet from VN / S Line of Section   |
| Lease: Brant, Wayne E.                      | 1980 feet from E / ✓ W Line of Section   |
| Well Number: 12-1 Field: Cherokee Basin CBM | Sec. 12 Twp. 29 S. R. 17 ✓ East West   |
| Number of Acres attributable to well:       | Is Section: 🕢 Regular 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.
- 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).

# KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

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Form CDP-1 DEC 0 5 2006 Form must be Typed

### **APPLICATION FOR SURFACE PIT**

Submit in Duplicate

CONSERVATION DIVISION WICHITA, KS

| 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 - 9308 .      |  |  |
| Lease Name & Well No.: Brant, Wayr  | ne E. #12-1  |   | Pit Location (QQQQ):                                   |  |
| Type of Pit:  | Pit is:  |   |  |  |
| Emergency Pit Burn Pit  | ✓ Proposed Existing  |   | Sec. 12 <sub>Twp.</sub> 29 R. 17 ✓ East West           |  |
| Settling Pit  | If Existing, date constructed:   |   | 660 Feet from 🗸 North / South Line of Section          |  |
| Workover Pit Haul-Off Pit   | Workover Pit Haul-Off Pit  (If WP Supply API No. or Year Drilled)  Pit capacity:  300 (bbls) |   | 1980 Feet from ☐ East / ✔ West Line of Section         |  |
| (II VVP Supply API No. or fear Drilled)   |  |   | Neosho County  |  |
| Is the pit located in a Sensitive Ground Water  | Area? ☐ Yes 🗸  | ] No                                    | Chloride concentration:mg/l                            |  |
| Is the better below ground level?   | A-4:6-:  |   | (For Emergency Pits and Settling Pits only)            |  |
| Is the bottom below ground level?  Yes No   | Artificial Liner?  ☐ Yes  ✓  | 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  Describe procedures for periodic maintenance and determining |  |   |  |  |
|   |  | ocluding any special monitoring.        |  |  |
| Air Drilling Operation lasting approx 3 days  |  |   | Operation lasting approx 3 days                        |  |
|   |  | <b>.</b>                                |  |  |
|   |  | west fresh waterfeet.                   |  |  |
| Source of ir  NA feet Depth of water well feet me   |  |   | ration: redwell owner electric log KDWR                |  |
|   |  |   | Orilling, Workover and Haul-Off Pits ONLY:             |  |
|   |  | Type of materia                         | of material utilized in drilling/workover: Air Drilled |  |
| Number of producing wells on lease: Number of wor   |  | rking pits to be utilized: One          |  |  |
| Barrels of fluid produced daily: Abandonment  |  | procedure: Air Dry, Back Fill and Cover |  |  |
| Does the slope from the tank battery allow all spilled fluids to flow into the pit?                                     |  | Drill pits must b                       | e 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.                 |  |   |  |  |
| $\mathcal{D}_{\alpha} \setminus \mathcal{D}_{\alpha} \wedge \mathcal{A}$  |  |   |  |  |
| December 4, 2006  Date  Signature of Applicant or Agent   |  |   |  |  |
| Date Signature of Applicant or Agent  |  |   |  |  |
| KCC OFFICE USE ONLY   |  |   |  |  |
| Date Received: 12 5 0 c Permit Number: Permit Date: 12 5 0 Lease Inspection: Yes K No                                   |  |   |  |  |