For KCC Use: Effective Date: Yes 🗶 No

KANSAS CORPORATION COMMISSION ANSAS CORPORATION COMMISSION

OIL & GAS CONSERVATION DIVISION NOTICE OF INTENT TO DRILL

December 2002 JAN 2 2 2007 Form must be Typed Form must be Signed

Form C-1

Must be approved by KCC five (5) days prior to commencing well NSERVATION DIVISION All blanks must be Filled WICHITA, KS January 26, 2007 **Expected Spud Date** Spot ✓ East day vear Twp. 29 OPERATOR: License# 33344 1980 N / ✓ S Line of Section 660 Name: Quest Cherokee LLC / E / feet from W Line of Section Address: 9520 North May Avenue, Suite 300 Is SECTION ____Regular _ _Irregular? City/State/Zip: Oklahoma City, Oklahoma 73120 (Note: Locate well on the Section Plat on reverse side) Contact Person: Richard Marlin County: Neosho Phone: (405) 286-9308 Lease Name: Beachner Bros Inc .Well #: 35-29-19-2 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 Yes ✓ No Target Formation(s): Cherokee Coals Well Drilled For: Nearest Lease or unit boundary: 660 Well Class: Type Equipment: Ground Surface Elevation: 1030 Oil feet MSI Enh Rec ✓ Infield ✓ Mud Rotary Water well within one-quarter mile: Yes ✓ No Gas Storage Pool Ext. Air Rotary = Public water supply well within one mile: √No OVIVO Yes Disposal Wildcat Cable Depth to bottom of fresh water: 100 Seismic; # of Holes Other ✓ Other_Coalbed Methane Depth to bottom of usable water: 200 /50 Surface Pipe by Alternate: 1 2 If OWWO: old well information as follows: Length of Surface Pipe Planned to be set: 25 Operator: Length of Conductor Pipe required: _ Projected Total Depth: 1500 Well Name:_ Cherokee Coals Original Completion Date: Formation at Total Depth: Original Total Depth: Water Source for Drilling Operations: 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 #:_ 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.

ate: January 19, 2007	Signature of Ope	erator or Agent:
For KCC Use ONLY API # 15 - 133-	26789-00	
API # 15 - 100 Conductor pipe required	None.	feet
Minimum surface pipe red	quired 20	
Approved by: Kutt -	22-07_	- N
This authorization expires	7-22-07	
		n 6 months of approval date.)
Spud date:	Agent:	

Date: January 19, 2007

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:

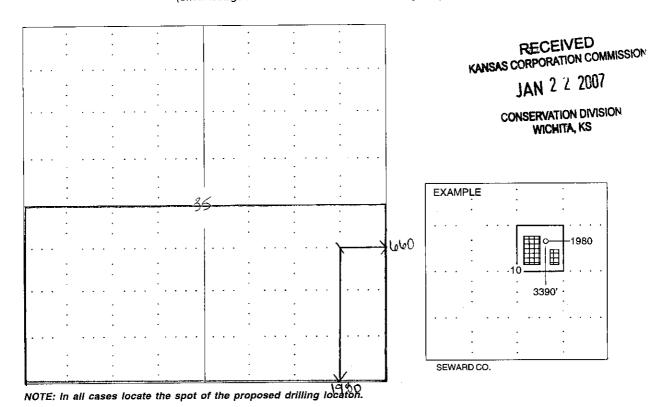
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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 - 133-26789-000	Location of Well: County: Neosho
Operator: Quest Cherokee LLC	1980 feet from N / 🗸 S Line of Section
Lease: Beachner Bros Inc	660 feet from 🗸 E / W Line of Section
Well Number: 35-29-19-2	Sec. 35 Twp. 29 S. R. 19 ✓ East West
Field: Cherokee Basin CBM	
Number of Acres attributable to well: OTR / QTR / QTR of acreage: SE SE	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.)



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).

RECEIVED

KANSAS CORPORATION COMMISSION CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION IAN 2 / 2007

JAN 2 / 2007

Form CDP-1 April 2004 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

CONSERVATION DIVISION WICKITA 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.: Beachner Bros Inc. #35-29-19-2			Pit Location (QQQQ):	
Type of Pit:	Pit is:		NE _ SE	
Emergency Pit Burn Pit	✓ Proposed		Sec35 _{Twp.} 29R19	
Settling Pit	If Existing, date constructed:		1980 Feet from North / 🗸 South Line of Section	
☐ Workover Pit ☐ Haul-Off Pit	Dit congoity:		660 Feet from 🗸 East / West Line of Section	
(If WP Supply API No. or Year Drilled)	Pit capacity:300(bbls)		Neosho County	
Is the pit located in a Sensitive Ground Water Area? ☐ Yes ✓ No		Chloride concentration: mg/l		
Is the bottom below ground level?	Artificial Liner?		(For Emergency Pits and Settling Pits only) How is the pit lined if a plastic liner is not used?	
☐ Yes ✓ No	☐ Yes 🗸	No	, , , , , , , , , , , , , , , , , , , ,	
Pit dimensions (all but working pits): 30 Length (feet) 10 Width (feet) N/A: Steel Pits				
Depth fr	om ground level to de	eepest point:	10 (feet)	
If the pit is lined give a brief description of the liner Describe procedure liner integrity, in			dures for periodic maintenance and determining ncluding any special monitoring.	
Air Drilling Operation lasting approx 3 days				
Distance to nearest water well within one-mile of pit		Depth to shallowest fresh waterfeet. Source of information:		
N/A feet Depth of water wellfeet			redwell owner electric log KDWR	
Emergency, Settling and Burn Pits ONLY:		Drilling, Workover and Haul-Off Pits ONLY:		
Producing Formation:		Type of material utilized in drilling/workover: Air Drilled		
Number of producing wells on lease:		Number of working pits to be utilized: One		
Barrels of fluid produced daily:		Abandonment p	procedure: Air Dry, Back Fill and Cover	
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.				
January 19, 2007 Date Signature of Applicant or Agent				
KCC OFFICE USE ONLY				
Date Received: 1/22/07 Permit Number: Permit Date: 1/22/07 Lease Inspection: Ves J No.				