For KCC Use: 2-28-07 Effective Date: 3-28-07 District # 3

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

Form C-1
December 2002
Form 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 March 1, 2007	Spot
month day year	<u>SW</u> - <u>NE</u> Sec. 9 Twp. 27 S. R. 19 West
OPERATOR: License# 33344	1980 feet from N / S Line of Section
Name: Quest Cherokee LLC	1850 feet from F E / W Line of Section
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) 286-9316	Lease Name: Watkins, Beulabel R. Well #: 9-1
	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? Target Formation(s): Cherokee Coals Yes [✓]No
	Nearest Lease or unit boundary: 660
Well Drilled For: Well Class: Type Equipment:	
Oil Enh Rec / Infield Mud Rotary	
Gas Storage Pool Ext. Air Rotary	Water well within one-quarter mile:
OWWO Disposal Wildcat Cable	Public water supply well within one mile: Yes No
Seismic;# of Holes Other	Depth to bottom of usable water:
✓ Other Coalbed Methane	Depth to bottom or usable water:
	Surface Pipe by Alternate: 1 2 2
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set: 25
Operator:	Length of Conductor Pipe required:
Well Name:	Projected Total Depth: 1300 Cherokee Coals
Original Completion Date:Original Total Depth:	, Formation at local Depth.
Directional, Deviated or Horizontal wellbore? Yes ✓ No	Water Source for Drilling Operations: 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	IDAVIT RECEIVED
The undersigned hereby affirms that the drilling, completion and eventual p	lugging of this well will comply with K.S.KANSAS CORPORATION COMMISSION
It is agreed that the following minimum requirements will be met:	FEB 2 3 2007
Notify the appropriate district office <i>prior</i> to spudding of well;	LED 7 2 7001
2. A copy of the approved notice of intent to drill shall be posted on ea	ch drilling rig; CONSERVATION DRIFTOLON
2. A copy of the approved notice of intent to drill shall be posted on ea 3. The minimum amount of surface pipe as specified below shall be set	et by circulating cement to the top; in all cases surface one stall be set
through all unconsolidated materials plus a minimum of 20 feet into the	ne underlying formation.
· · · · · · · · · · · · · · · · · · ·	district office on plug length and placement is necessary prior to plugging;
 The appropriate district office will be notified before well is either plug 6. If an ALTERNATE IL COMPLETION, production pine shall be cement 	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
	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 o	f my knowledge and belj e f.
	10 17/1 //
Date: February 22, 2007 Signature of Operator or Agent:	V 1 1/1/ 1 - 1 (/
	han Warle Title: VP
For KCC Use ONLY	Remember to:
For KCC Use ONLY 133-20833-0000	Remember to: - File Drill Pit Application (form CDP-1) with Intent to Drill;
API # 15 - 133-26833-0000	Remember to:
API # 15 - 133-26833-0000 Conductor pipe required Nove feet	Remember to: - File Drill Pit Application (form CDP-1) with Intent to Drill; - File Completion Form ACO-1 within 120 days of spud date;
API # 15 - 13.3-26833-0000	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;
API # 15 - 13.3 - 2683.3 - 0000 Conductor pipe required Nove feet Minimum surface pipe required 20 feet per Alt. 1 2	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;
API # 15 - 133-26833-0000 Conductor pipe required None feet Minimum surface pipe required 20 feet per Alt. 1 2 Approved by: 144 2-23-07	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;
API # 15 - 133-26833-0000 Conductor pipe required None feet Minimum surface pipe required 20 feet per Alt. 1 2 Approved by: 123-07 This authorization expires: 8 23-07	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.
API # 15 - 133-26833-0000 Conductor pipe required None feet Minimum surface pipe required 20 feet per Alt. 1 2 Approved by: 144 2-23-07	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
API # 15 - 133-26833-0000 Conductor pipe required None feet Minimum surface pipe required 20 feet per Alt. 1 2 Approved by: 123-07 This authorization expires: 8 23-07	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.

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

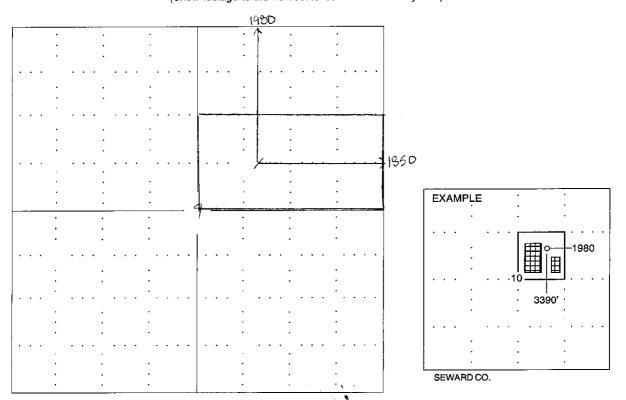
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 - 26833-0000	Location of Well: County: Neosho
Operator: Quest Cherokee LLC	1980 feet from N / S Line of Section
Lease: Watkins, Beutabel R.	
Well Number: 9-1	Sec. 9 Twp. 27 S. R. 19 ✓ East Wes
Field: Cherokee Basin CBM	
Number of Acres attributable to well: QTR / QTR / QTR of acreage:	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 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 fease 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).

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form CDP-1 April 2004 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: Quest Cherokee LLC		License Number: 33344		
Operator Address: 9520 North May	/ Avenue, Su	ite 300 Ok	klahoma City, Oklahoma 73120	
Contact Person: Richard Marlin		Phone Number: (405) 286 - 9316		
Lease Name & Well No.: Watkins, Beulabel R. #9-1		Pit Location (QQQQ):		
Type of Pit:	Pit is:			
Emergency Pit Burn Pit	Proposed Existing		Sec. 9 Twp. 27 R. 19	
Settling Pit	If Existing, date constructed:		1980 Feet from 🗸 North / 🗌 South Line of Secti	
Workover Pit Haul-Off Pit	Pit capacity:		1850 Feet from 🗸 East / 🗌 West Line of Secti	
(If WP Supply API No. or Year Drilled)	300	(bbls)	Neosho Cour	
Is the pit located in a Sensitive Ground Water Area? Yes V No		No	Chloride concentration: mg. (For Emergency Pits and Settling Pits only)	
Is the bottom below ground level? ☐ Yes	Artificial Liner? ☐ Yes ✓	No	How is the pit lined if a plastic liner is not used?	
Pit dimensions (all but working pits):	Length (fe			
		All Drilling	Operation lasting approx 3 days	
Distance to nearest water well within one-mile of pit Depth to shalle Source of info		owest fresh waterfeet.		
NAfeet	feet	measu	uredwell owner electric logKDWR	
Emergency, Settling and Burn Pits ONLY:		1	over and Haul-Off Pits ONLY:	
			al utilized in drilling/workover: Air Drilled	
			mber of working pits to be utilized: One andonment procedure: Air Dry, Back Fill and Cover	
		procedure: 7th Styl Bask I want Gover		
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. KANSAS CORPORATION COMMISS				
February 22, 2007 Date	+	erland	FEB 2 3 2007 CONSERVATION DIVISION WICHITA, KS	
KCC OFFICE USE ONLY				
Date Received: <u>2/23/5</u> を Permit Num	nber:	Perm	hit Date: $\frac{2}{23(c7)}$ Lease Inspection: Yes \times No	