

For KCC Use:
 Effective Date: 5-29-06
 District # 3
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

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 KANSAS CORPORATION COMMISSION

MAY 24 2006

Form C-1
 December 2002

Form must be Typed
 Blanks must be Filled

NOTICE OF INTENT TO DRILL
 Must be approved by KCC five (5) days prior to commencing well

CONSERVATION DIVISION
 WICHITA, KS

Expected Spud Date May 30, 2006
 month day year

Spot _____ SE _____ NE _____ Sec. 5 Twp. 29 S. R. 15 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 Marlin
 Phone: (405) 286-9316

1980 feet from N / S Line of Section
660 feet from E / W Line of Section

Is SECTION Regular Irregular?

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

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

County: Wilson
 Lease Name: Timmons, Nancy Well #: 5-2
 Field Name: Cherokee Basin CBM

Is this a Prorated / Spaced Field? Yes No

| Well Drilled For: | Well Class: | Type Equipment: |
|---|-----------------------------------|--|
| <input type="checkbox"/> Oil | <input type="checkbox"/> Enh Rec | <input checked="" type="checkbox"/> Infield |
| <input checked="" type="checkbox"/> Gas | <input type="checkbox"/> Storage | <input type="checkbox"/> Mud Rotary |
| <input type="checkbox"/> OAWO | <input type="checkbox"/> Disposal | <input checked="" type="checkbox"/> Pool Ext. |
| <input type="checkbox"/> Seismic; _____ # of Holes | <input type="checkbox"/> Wildcat | <input checked="" type="checkbox"/> Air Rotary |
| <input checked="" type="checkbox"/> Other: <u>Coalbed Methane</u> | <input type="checkbox"/> Other | <input type="checkbox"/> Cable |

Nearest Lease or unit boundary: 660
 Ground Surface Elevation: 965 feet MSL

Water well within one-quarter mile: Yes No

Public water supply well within one mile: Yes No

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

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: _____

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

Directional, Deviated or Horizontal wellbore? Yes No

If Yes, true vertical depth: _____

Bottom Hole Location: _____

KCC DKT #: _____

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: 5/23/2006 Signature of Operator or Agent: [Signature] Title: VP

| For KCC Use ONLY | |
|---|-----------------------------------|
| API # 15 - | <u>205-26681-0000</u> |
| Conductor pipe required | <u>None</u> feet |
| Minimum surface pipe required | <u>20</u> feet per Alt. X2 |
| Approved by: | <u>RHM 5-24-06</u> |
| This authorization expires: | <u>11-24-06</u> |
| (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 prorations 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: [Signature]
 Date: _____

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

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 KANSAS CORPORATION COMMISSION

JAN 04 2007

CONSERVATION DIVISION
 WICHITA, KS

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