

MAY 23 2006

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

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

CONSERVATION DIVISION
WICHITA, KS

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

For KCC Use:
Effective Date: 5-28-06
District # 3
SGA? Yes No

Expected Spud Date May 29, 2006
month day year

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

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

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

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 #: _____

Spot _____ NE _____ SW _____ Sec. 31 Twp. 28 S. R. 15 East West
1980 feet from N / S Line of Section
1980 feet from E / W Line of Section
Is SECTION Regular Irregular?

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

County: Wilson
Lease Name: Timmons, Nancy Well #: 31-2
Field Name: Cherokee Basin CBM

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Cherokee Coals

Nearest Lease or unit boundary: 660

Ground Surface Elevation: 885 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: _____

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: 5/22/2006 Signature of Operator or Agent: Richard Marlin Title: VP

For KCC Use ONLY
API # 15 - 205-26677-0000
Conductor pipe required None feet
Minimum surface pipe required 20 feet per Alt. XO 2
Approved by: RHS 23-06
This authorization expires: 11-23-06
(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: Richard Marlin
Date: _____

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

JAN 04 2007

CONSERVATION DIVISION
WICHITA, KS

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