For KCC Use:

Effective Date: 10-10-07

District # 3

SGA? Yes X No

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

WICHITA, KS

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

October 9, 2007	Spot ✓ East
Expected Spud Date	<u>E/2</u> _ <u>NW</u> <u>Sec. 31</u> <u>Twp. 28</u> <u>S. R. 19</u> West
OPERATOR: License# 33344	1300
at Ottest Cherokee LLG	lest from L. F. A. A. Ellis of desiren
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) 463-6881	Lease Name. Heilman, Vern L. Well #: 31-5
	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
	Nearest Lease or unit boundary: 590 -
Well Drilled For: Well Class: Type Equipment:	Ground Surface Elevation: 928 feet MSL
Oil Enh Rec V Infield Mud Rotary	
Gas Storage Pool Ext. Air Rotary	Training with state dearest training and dearest tr
	Public water supply well within one mile:
	Depth to bottom of fresh water: 100
Seismic; # of Holes Other Other Coalbed Methane	Depth to bottom of usable water.
✓ Other	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: 1300
Well Name:	Formation at Total Depth: Cherokee Coals
Original Completion Date:Original Total Depth:	Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore?	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? No If Yes, proposed zone:
	IDAVIT
The undersigned hereby affirms that the drilling, completion and eventual pl	lugging of this well will comply with K.S.A. 55 et. seq.
It is agreed that the following minimum requirements will be met:	
through all unconsolidated materials plus a minimum of 20 feet into the 4. If the well is dry hole, an agreement between the operator and the description of 5. The appropriate district office will be notified before well is either plug 6. If an ALTERNATE II COMPLETION, production pipe shall be cement Or pursuant to Appendix "B" - Eastern Kansas surface casing order must be completed within 30 days of the spud date or the well shall the spud date or the well shall the spud date.	the by circulating cement to the top; in all cases surface pipe shall be set the underlying formation. district office on plug length and placement is necessary prior to plugging; aged or production casing is cemented in; led 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 of	f my knowledge and belief.
Date: October 2, 2007 Signature of Operator or Agent:	
	Remember to:
For KCC Use ONLY	- File Drill Pit Application (form CDP-1) with Intent to Drill;
API # 15 - 133-27234-000	- File Completion Form ACO-1 within 120 days of spud date;
Conductor pipe required feet	 File acreage attribution plat according to field proration orders; Notify appropriate district office 48 hours prior to workover or re-entry;
20	Notiny appropriate district office 48 flours prior to workover of re-entry; Submit plugging report (CP-4) after plugging is completed;
Maintuit surface pipe required	- Submit plugging report (CF-4) after plugging is completed, - Obtain written approval before disposing or injecting salt water.
Approved by: \$4410-5-07	DECEIVED &
This authorization expires: 450P	- If this permit has expired (See: authorized expiration Part heast commission check the box below and return to the address below.
(This authorization void if drilling not started within 6 months of approval date.)	
	Well Not Drilled - Permit Expired OCT 0 5 2007
Spud date:Agent:	Signature of Operator of Agent.
	Date:CONSERVATION DIVISION

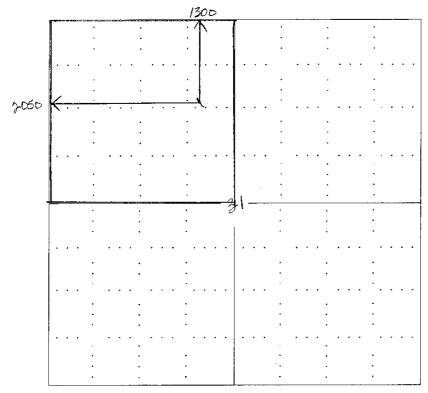
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

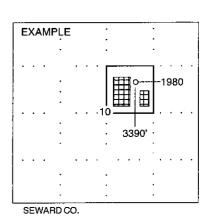
Plat of acreage attributable to a well in a prorated or spaced field

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 - 133-27234-0000	Location of Well: County: Neosho
Operator: Quest Cherokee LLC	1300 feet from VN/ S Line of Section
Lease: Heilman, Vern L.	2050 feet from E / W Line of Section
Well Number: 31-5 Field: Cherokee Basin CBM	Sec. 31 Twp. 28 S. R. 19 VEast Wes
Number of Acres attributable to well:	Is Section: Regular or Irregular
QTR / QTR / QTR of acreage:	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.
- 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

1 miles 1 miles				
Operator Name: Quest Cherokee LI	LC		License Number: 33344	
Operator Address: 9520 North May	y Avenue, Su	ite 300 Ok	lahoma City, Oklahoma 73120	
Contact Person: Richard Marlin		Phone Number: (405) 463 - 6880		
Lease Name & Well No.: Heilman, Vern L. #31-5		Pit Location (QQQQ):		
Type of Pit:	Pit is:		<u>E/2</u> _ <u>NW</u> _	
Emergency Pit Burn Pit	✓ Proposed Existing		Sec. 31 Twp. 28 R. 19 📝 East 🗍	West
Settling Pit	If Existing, date constructed:		1300 Feet from 🗸 North / South Line	of Section
Workover Pit Haul-Off Pit	Disconneits		2050 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:(For Emergency Pits and Settling Pits only)	mg/l
Is the bottom below ground level? Yes V No	Artificial Liner?	No	How is the pit lined if a plastic liner is not used?	
Pit dimensions (all but working pits):	30 Length (fe	et) 10	Width (feet)N/A: Stee	l Pits
Depth fi	rom ground level to de	epest point:	10 (feet)	
		Air Drilling	Operation lasting approx 3 days	OCT 05 20 ONSERVATION DI WICHITA KS
Distance to nearest water well within one-mile of pit Depth to shallor		west fresh waterfeet.		
.1		Source of infor	mation: redwell owner electric log	KDWR C
			over and Haul-Off Pits ONLY:	3
		•	material utilized in drilling/workover: Air Drilled	
		rking nits 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 I	Drill pits must be closed within 365 days of spud date.	
I hereby certify that the above state	ements are true and o	correct to the best	of my knowledge and belief.	
October 2, 2007 Date	R	chard's	Marlunignature of Applicant or Agent	
	ксс	OFFICE USE O	NLY	
Date Received:	nber:	Permi	it Date: (OSO) Lease Inspection: Yes	□ No