Carec KANSAS CORPORATION COMMISSION

For KCC Use: Effective Date District i

Expected Spud Date:

OPERATOR: License#

Address 2:

City: Oklahoma City

loi

Operator:

Well Name:

If Yes, true vertical depth: -

Bottom Hole Location: ...

KCC DKT #:

Name: Quest Cherokee, LLC

Contact Person: Richard Marlin

Well Drilled For:

Other: Coalbed Methan

Original Completion Date: _

Directional, Deviated or Horizontal wellbore?

Ean Rec

Storage

Disposal

of Holes

If OWWO: old well information as follows:

CONTRACTOR: License#_ Name: Will advise on the ACO-1

Address 1: 210 W. Park Ave., Suite 2750

February 19, 2008

State: OK

Well Class:

X Infield 1

Pool Ext.

Wildcat

33837 or another Licensed by KCC

month

33344

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

FEB 2 6 2008 Form must be signed All blanks must be Filled

Must be approved by KCC five (5) days prior to commencing well-CONSERVATION DIVISION WICHITA, KS Spot Description: , Sec. 19 Twp. 29 S. R. 20 XE W N / X S Line of Section _ feet from E / X W Line of Section feet from is SECTION: Regular Irregular? (Mate: Locate well on the Section Plat on reverse side) Lease Name: Hines Farms Inc. Well #: 19-1 Field Name: Cherokee Basin CBM Yes X No Is this a Prorated / Spaced Field? Target Formation(s): Cherokee Coals Nearest Lease or unit boundary line (in footage): 606 Ground Surface Elevation: 898 feet MSL Water well within one-quarter mile: Yes Public water supply well within one mile: Depth to bottom of fresh water: 100 Depth to bottom of usable water: 150 Surface Pipe by Alternate: Length of Surface Pipe Planned to be set: Length of Conductor Pipe (if any): Projected Total Depth: 1500 Formation at Total Depth: Cherokee Coals Water Source for Drilling Operations: Farm Pond Xother: Air Well DWR Permit #: (Note: Apply for Permit with DWR ☐Yes X No Will Cores be taken? was: 1980 FSL, 1980 FWL, 660 NLUB

IS: 1825 FSL, 290 FWL, 450 NLUBFIDAVIT 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:

Type Equipment:

X Air Rotary

Cable

Original Total Depth

Mud Rotary

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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;

FEB 19 2008 CONSERVATION DIVISION

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/ICHITA, KS through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.

If Yes, proposed zone:

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;

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 correct to the best of my knowle Vice President February 13, 2008 Signature of Operator or Agent: Date: Remember to: 3 For KCC Use ONLY File Drill Pit Application (form GDP-1) with Intent to Drill; API # 15 - 133- 27411-0000 File Completion Form ACO-1 within 120 days of spud date; 29 File acreage attribution plat according to field proration orders; Conductor pipe required. Notify appropriate district office 48 hours prior to workover or re-entry; feet per ALT. I Submit plugging report (CP-4) after plugging is completed (within 60 days); Minimum surface pipe required Obtain written approval before disposing or injecting salt water. Approved by: full 2-20-08 If this permit has expired (See: authorized expiration date) please This authorization expires: 2-20-09 check the box below and return to the address below. (This authorization void if drilling not started within 12 months of approval date.) Well Not Orilled - Permit Expired Date: .. Signature of Operator or Agent: Spud date: _ _ Agent:

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW FEB 2 6 2008

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

CONSERVATION DIVISION

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 provided 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 - 133-27411-0000	
Operator: Quest Cherokee, LLC	Location of Well: County; Neosho
Lease: Hines Farms Inc.	1,980 1825 feet from N/X S Line of Section
Well Number: 19-1	1,980_ \(\)
Field: Cherokee Basin CBM	Sec. <u>19</u> Twp. <u>29</u> S. R. <u>20</u> 🗶 E 🗌 W
Number of Acres attributable to well: NE . sw	Is Section: Regular or Inregular
UINQINQINQIN di acieage.	if Section is Irregular, locate well from nearest corner boundary.
	Section corner used: NE NW SE SW

PLAT

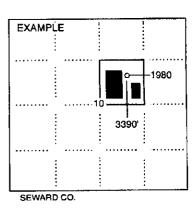
(Show location of the well and shade attributable acreage for prorated or spaced wells.) (Show footage to the nearest lease or unit boundary line.)

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	NOTE: In all cases locate the spot of the proposed drilling locaton.								

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FEB 19 2008

CONSERVATION DIVISION WICHITA, KS



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 south / north and east / west outside section lines.

7980, 1825

- 3. The distance to the nearest lease or unit boundary line (in footage).
- 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).

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KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION EED 2. 2000 5

FEB 26 2008

April 2004 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

CONSERVATION DIVISION WICHITA, KS

*NRRECTED

Form CDP-1

Operator Name: Quant Charakaa II C			License Number: 33344				
Operator Name: Quest Cherokee, LLC							
Operator Address: 210 W. Park Ave., Suite 2750		Oklahoma City OK 73102					
Contact Person: Richard Marlin		Phone Number: 405-702-7480					
Lease Name & Well No.: Hines Farms Inc. 19-1		Pit Location (QQQQ):					
Type of Pit:	Pit is:						
Emergency Pit Burn Pit	Proposed Existing		Sec. 19 Twp. 29 R. 20 East West				
Settling Pit Drilling Pit	If Existing, date constructed:		Feet from North / South Line of Section				
Workover Pit Haul-Off Pit	Pit capacity:		T.980 2/90 Feet from East / West Line of Section				
(If WP Supply API No. or Year Drilled)	300	(bbls)	Neosho				
Is the pit located in a Sensitive Ground Water	Area? Tayes X		Chloride concentration:mg/l				
is the pit located in a schould street in		<u> </u>	(For Emergency Pits and Settling Pits only)				
Is the bottom below ground level?	Artificial Liner?		How is the pit lined if a plastic liner is not used?				
Yes No	Yes X	No	Air Drilling Well				
Pit dimensions (all but working pits):	30 Length (fe	et)	Width (feet) N/A: Steel Pits				
Depth fi	rom ground level to de	epest point:	10 (feet) No Pit				
If the pit is lined give a brief description of the liner Describe procumaterial, thickness and installation procedure.		redures for periodic maintenance and determining including any special monitoring.					
material, methods and		ng air drilled with operations lasting approx.					
3 days							
Distance to nearest water well within one-mile of pit Depth to shallo		owest fresh waterfeet.					
Source of inf		e of information: measured well owner electric log KDWR					
NA feet Depth of water well feet meas		kover and Haul-Off Pits ONLY:					
Line geney, coming and		ial utilized in drilling/workover: Air Drilled					
		orking plts to be utilized:1					
(tolling) of processing		nt procedure: Air Dry, Back fill and cover.					
Dairoid of Marz process		processor. Lat. very a series of the series					
		it be closed within 365 days of spud date. RECEIVED					
I hereby certify that the above statements are true and correct to the best of my knowledge and belief. KANSAS CORPORATION COMMISSION							
\mathcal{P} is \mathcal{M} 0 - FEB 19 2008							
February 13, 2008		you	Signature of Applicant or Agent ONSERVATION DIVISION				
Date	ζ		- МОНТА, КЭ				
KCC OFFICE USE ONLY Steel Pit RFAC RFAS							
Date Received: 2 19 08 Permit Nur	mber:	Perr	nit Date: 12/19/05 Lease Inspection: Yes No				