

For KCC Use:  
 Effective Date: 4-19-08  
 District #: 3  
 SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
 OIL & GAS CONSERVATION DIVISION

Form C-1  
 October 2007  
 Form must be Typed  
 Form must be Signed  
 All blanks must be Filled

**NOTICE OF INTENT TO DRILL**

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

Expected Spud Date: April 19, 2008  
 month day year

OPERATOR: License# 33344 ✓  
 Name: Quest Cherokee, LLC  
 Address 1: 210 W. Park Ave., Suite 2750  
 Address 2: \_\_\_\_\_  
 City: Oklahoma City State: OK Zip: 73102 + \_\_\_\_\_  
 Contact Person: Richard Marlin  
 Phone: 405-702-7480  
 CONTRACTOR: License# 33837 or another Licensed by KCC  
 Name: Will advise on the ACO-1

Well Drilled For:  Oil  Gas  Enh Rec  Storage  Disposal  Seismic: \_\_\_\_\_ # of Holes  Other: Coalbed Methane  
 Well Class:  Infield  Pool Ext.  Wildcat  Other  
 Type Equipment:  Mud Rotary  Air Rotary  Cable  
 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 Description: \_\_\_\_\_  
 (a/a/a/a) NE SW Sec. 11 Twp. 34 S. R. 18  E  W  
1,980 feet from  N /  S Line of Section  
1,980 feet from  E /  W Line of Section  
 Is SECTION:  Regular  Irregular?

(Note: Locate well on the Section Plat on reverse side)  
 County: Labette  
 Lease Name: Peterson, Charles Well #: 11-1  
 Field Name: Cherokee Basin CBM  
 Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Cherokee Coals  
 Nearest Lease or unit boundary line (in footage): 660  
 Ground Surface Elevation: 829 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: 150-100  
 Surface Pipe by Alternate:  I  II  
 Length of Surface Pipe Planned to be set: 25  
 Length of Conductor Pipe (if any): \_\_\_\_\_  
 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**

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APR 14 2008

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.

CONSERVATION DIVISION  
 WICHITA, KS

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: April 10, 2008 Signature of Operator or Agent: Richard Marlin Title: Vice President

**For KCC Use ONLY**  
 API # 15 - 099-24380-0000  
 Conductor pipe required None feet  
 Minimum surface pipe required 20 feet per ALT.  I  II  
 Approved by: 4-14-08  
 This authorization expires: 4-14-09  
 (This authorization void if drilling not started within 12 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 (within 60 days);
- 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 Date: \_\_\_\_\_  
 Signature of Operator or Agent: \_\_\_\_\_

11  
34  
18  
 E  
 W

**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 - 099-243800000  
Operator: Quest Cherokee, LLC  
Lease: Peterson, Charles  
Well Number: 11-1  
Field: Cherokee Basin CBM

Location of Well: County: Labette  
1,980 feet from  N /  S Line of Section  
1,980 feet from  E /  W Line of Section  
Sec. 11 Twp. 34 S. R. 18  E  W

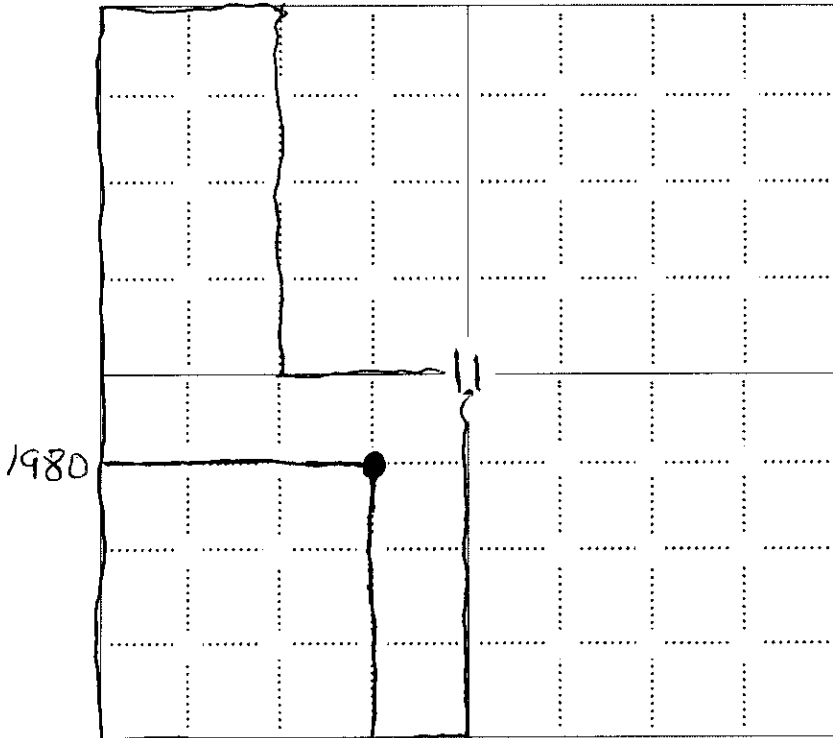
Number of Acres attributable to well: \_\_\_\_\_  
QTR/QTR/QTR/QTR of acreage: \_\_\_\_\_ - \_\_\_\_\_ - NE - SW

Is Section:  Regular or  Irregular

**If Section is Irregular, locate well from nearest corner boundary.**  
Section corner used:  NE  NW  SE  SW

**PLAT**

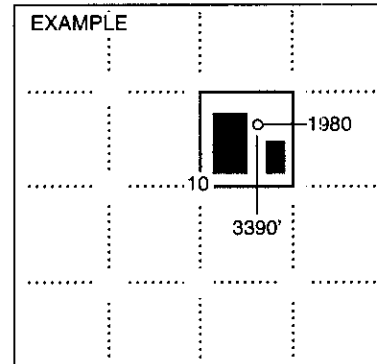
*(Show location of the well and shade attributable acreage for prorated or spaced wells.)  
(Show footage to the nearest lease or unit boundary line.)*



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

1980

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CONSERVATION DIVISION  
WICHITA, KS



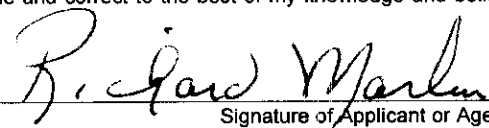
**In plotting the proposed location of the well, you must show:**

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.
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: (CO-7 for oil wells; CG-8 for gas wells).

**KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
APPLICATION FOR SURFACE PIT**

Form CDP-1  
April 2004  
Form must be Typed

*Submit in Duplicate*

Operator Name: <b>Quest Cherokee, LLC</b>		License Number: <b>33344</b>	
Operator Address: <b>210 W. Park Ave., Suite 2750</b>		Oklahoma City OK <b>73102</b>	
Contact Person: <b>Richard Marlin</b>		Phone Number: <b>405-702-7480</b>	
Lease Name & Well No.: <b>Peterson, Charles 11-1</b>		Pit Location (QQQQ): _____ NE _____ SW	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i>		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: <b>300</b> (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
How is the pit lined if a plastic liner is not used? <b>Air Drilling Well</b>			
Pit dimensions (all but working pits): _____ 30 _____ Length (feet) _____ 10 _____ Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: _____ 10 _____ (feet) <input type="checkbox"/> No Pit			
If the pit is lined give a brief description of the liner material, thickness and installation procedure.  <b>Well is being air drilled.</b>		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.  <b>Well is being air drilled with operations lasting approx. 3 days</b>	
Distance to nearest water well within one-mile of pit NA <input checked="" type="checkbox"/> feet    Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR	
<b>Emergency, Settling and Burn Pits ONLY:</b> Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: <b>Air Drilled</b> Number of working pits to be utilized: <b>1</b> Abandonment procedure: <b>Air Dry, Back fill and cover.</b> Drill pits must be closed within 365 days of spud date.	
RECEIVED KANSAS CORPORATION COMMISSION			
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.			
April 10, 2008 Date		 Signature of Applicant or Agent	
APR 14 2008 CONSERVATION DIVISION WICHITA, KS			
<b>KCC OFFICE USE ONLY</b> Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>			
Date Received: <b>4/14/08</b> Permit Number: _____    Permit Date: <b>4/14/08</b> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

15-099-24-380-0000