For KCC Use:
Effective Date: 5-21-08
District # 3
SGA? [ ] Yes [x] No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

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

Expected Spud Date: May 20, 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:		Well Class:	Type Equipment:
[ ] Oil	[ ] Enh Rec	[x] Infield	[ ] Mud Rotary
[ ] Gas	[ ] Storage	[ ] Pool Ext.	[x] Air Rotary
	[x] Disposal	[ ] Wildcat	[ ] Cable
[ ] Seismic ; ____ # of Holes		[ ] Other	
[ ] Other:			

[ ] If OWWO: old well information as follows:

Operator:
Well Name:
Original Completion Date: ____ Original Total Depth:

Directional, Deviated or Horizontal wellbore? [ ] Yes [x] No
If Yes, true vertical depth:
Bottom Hole Location:
KCC DKT #:

Spot Description:
____ - NW - SW - NW (Q/Q/Q/Q) Sec. 20 Twp. 34 S. R. 18 [x] E [ ] W
3,330 feet from [ ] N / [x] S Line of Section
5,075 feet from [x] E / [ ] W Line of Section
Is SECTION: [x] Regular [ ] Irregular?

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

County: Labette
Lease Name: Payne SWD Well #: 20-1
Field Name: Cherokee Basin CBM
Is this a Prorated / Spaced Field? [ ] Yes [x] No
Target Formation(s): ?Cherokee Coals Arbuckle
Nearest Lease or unit boundary line (in footage): 205 (SWD)
Ground Surface Elevation: 785 feet MSL
Water well within one-quarter mile: [ ] Yes [x] No
Public water supply well within one mile: [ ] Yes [x] No
Depth to bottom of fresh water: 100
Depth to bottom of usable water: 100
Surface Pipe by Alternate: [ ] I [x] II
Length of Surface Pipe Planned to be set: 25
Length of Conductor Pipe (if any):
Projected Total Depth: 1600
Formation at Total Depth: ?Cherokee Coals Arbuckle
Water Source for Drilling Operations:
[ ] Well [ ] Farm Pond [x] Other: Air
DWR Permit #:
(Note: Apply for Permit with DWR [ ])
Will Cores be taken? [ ] Yes [x] No
If Yes, proposed zone:

RECEIVED
KANSAS CORPORATION COMMISSION
MAY 15 2008
CONSERVATION DIVISION
WICHITA, KS

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 correct to the best of my knowledge and belief.

Date: May 14, 2008 Signature of Operator or Agent: Richard Marlin Title: Vice President

For KCC Use ONLY
API # 15 - 099-24427-0000
Conductor pipe required None feet
Minimum surface pipe required 20 feet per ALT. [ ] I [x] II
Approved by: Rus 5-16-08
This authorization expires: 5-16-09
(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:

20 34 18 [x] E [ ] W

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

Side Two

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 - 099-24427-0000

Operator: Quest Cherokee, LLC

Lease: Payne SWD

Well Number: 20-1

Field: Cherokee Basin CBM

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: _____ - NW - SW - NW

Location of Well: County: Labette

3,330 feet from ☐ N / ☒ S Line of Section

5,075 feet from ☒ E / ☐ W Line of Section

Sec. 20 Twp. 34 S. R. 18 ☒ E ☐ W

Is Section: ☒ Regular or ☐ Irregular

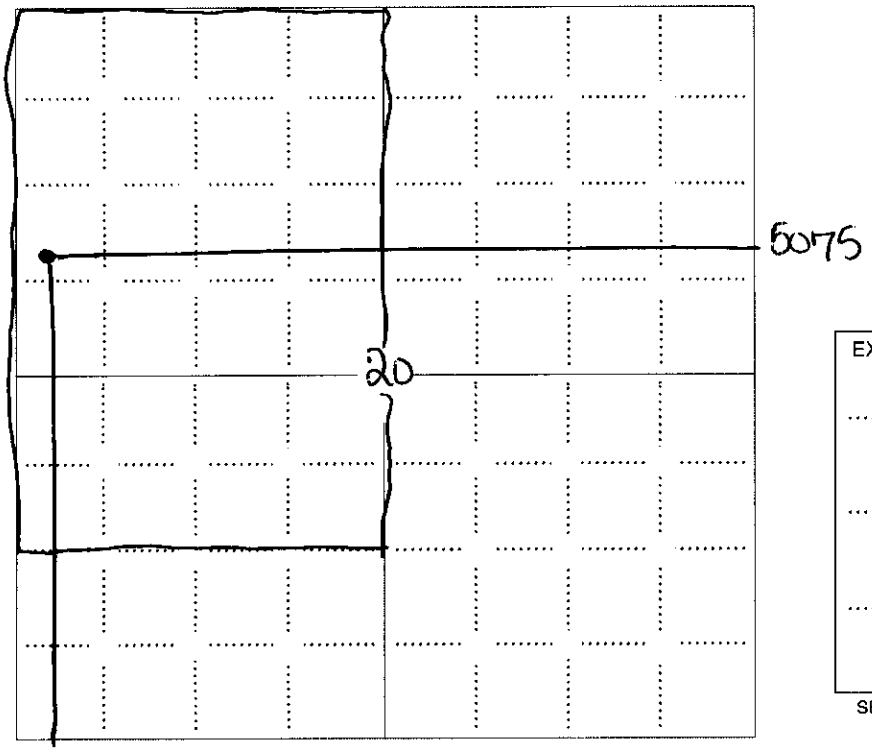
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: ☐ NE ☐ NW ☐ SE ☐ SW

PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)

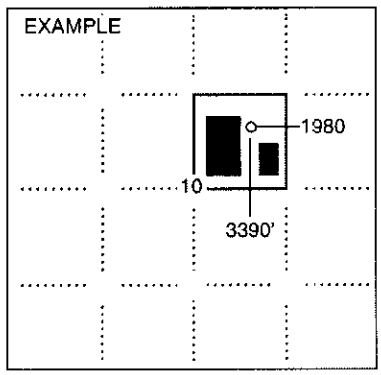
(Show footage to the nearest lease or unit boundary line.)



RECEIVED
KANSAS CORPORATION COMMISSION

MAY 15 2008

CONSERVATION DIVISION
WICHITA, KS



SEWARD CO.

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

3330

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

Form CDP-1
April 2004
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: Quest Cherokee, LLC | License Number: 33344

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.: Payne SWD 20-1

Pit Location (QQQQ): ___ - NW - SW - NW

Type of Pit:
☐ Emergency Pit ☐ Burn Pit
☐ Settling Pit ☒ Drilling Pit
☐ Workover Pit ☐ Haul-Off Pit
(If WP Supply API No. or Year Drilled)

Pit is:
☒ Proposed ☐ Existing
If Existing, date constructed: ___
Pit capacity: 300 (bbls)

Sec. 20 Twp. 34 R. 18 ☒ East ☐ West
3,330 Feet from ☐ North / ☒ South Line of Section
5,075 Feet from ☒ East / ☐ West Line of Section
Labette County

Is the pit located in a Sensitive Ground Water Area? ☐ Yes ☒ No

Chloride concentration: ___ mg/l
(For Emergency Pits and Settling Pits only)

Is the bottom below ground level? ☒ Yes ☐ No

Artificial Liner? ☐ Yes ☒ No

How is the pit lined if a plastic liner is not used?
Air Drilling Well

Pit dimensions (all but working pits): 30 Length (feet) 10 Width (feet) ☐ N/A: Steel Pits

Depth from ground level to deepest point: 10 (feet) ☐ No Pit

If the pit is lined give a brief description of the liner material, thickness and installation procedure.
Well is being air drilled.

Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.
Well is being air drilled with operations lasting approx. 3 days

Distance to nearest water well within one-mile of pit
NA feet Depth of water well ___ feet

Depth to shallowest fresh water ___ feet.
Source of information:
☐ measured ☐ well owner ☐ electric log ☐ KDWR

Emergency, Settling and Burn Pits ONLY:
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? ☐ Yes ☐ No

Drilling, Workover and Haul-Off Pits ONLY:
Type of material utilized in drilling/workover: Air Drilled
Number of working pits to be utilized: 1
Abandonment procedure: Air Dry, Back fill and cover.
Drill pits must be closed within 365 days of spud date.

15-099-24427-0000

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

RECEIVED
KANSAS CORPORATION COMMISSION
MAY 15 2008
CONSERVATION DIVISION
WICHITA, KS

May 14, 2008
Date

Richard Marlin
Signature of Applicant or Agent

KCC OFFICE USE ONLY Steel Pit ☐ RFAC ☐ RFAS ☐

Date Received: 5/15/08 Permit Number: ___ Permit Date: 5/15/08 Lease Inspection: ☐ Yes ☒ No

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

KANSAS
CORPORATION COMMISSION

Kathleen Sebelius, Governor
Thomas E. Wright, Chairman
Michael C. Moffet, Commissioner
Joseph F. Harkins, Commissioner

NOTICE TO OPERATORS FILING INTENT TO DRILL FOR DISPOSAL OR ENHANCED RECOVERY INJECTION WELLS, (CLASS II INJECTION WELL)

The attached approved Notice of Intent to Drill indicates the proposed well is to be used for injection. An approved "Intent to Drill" does not approve injection authority as a Class II Injection Well in Kansas.

Before any well is used for injection purposes, the operator must file an application for injection authority in accordance with K.A.R. 82-3-401 and provide notice in accordance with K.A.R. 82-3-402. The Conservation Division must issue a written permit granting the application before commencement of injection.

The Conservation Division requirements and restrictions associated with Class II Injection are identified in **K.A.R. 82-3-400 et seq** of our regulations. Associated regulations governing drilling,completion and injection applications may be found in K.A.R. 82-3-135, Table I, Table II, in the Cedar Hills Sandstone Moratorium, (Docket #156,397-C), and the Eastern Kansas Surface Casing Order, (Docket #133,891-C).

If you have questions regarding the approval of injection authority, an injection application may be filed as a "Design Approval" before actual drilling and completion of the well occurs. If you have any questions or concerns regarding Class II injection wells or regulations, call the Underground Injection Control Department at 316-337-6200.

Failure to obtain commission approval before beginning injection is punishable by a penalty, shut-in of the well or both.

CONSERVATION DIVISION
Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802
(316) 337-6200 • Fax: (316) 337-6211 • http://kcc.ks.gov/