KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL
Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date: May 25, 2004

OPERATOR: License#: 33344
Name: Quest Cherokee, LLC
Address: P. O. Box 100
City/State/Zip: Benedict, KS 66714
Contact Person: Doug Lamb
Phone: 405-840-9944

CONTRACTOR: License#: 76567
Name: Will Advise on AGO-1; MUST BE LICENSED WITH KCC

Spot: NNE
Sec: 7
Twp: 32
S. R.: 19

510 feet from S
1430 feet from E

Is SECTION Regular? Yes

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

County: Labelle
Lease Name: Chapman, William F.
Well #: 7-1
Field Name: Cherokee Basin CBM
Is this a Prorated / Shared Field? Yes
Target Information(s): Arbuckle Dolomite

Nearest Lease or unit boundary: 340
Ground Surface Elevation: 933
Water well within one-quarter mile: No
Public water supply well within one mile: Yes
Depth to bottom of fresh water: 100
Depth to bottom of usable water: 200

Surface Pipe by Alternate: 2
Length of Surface Pipe Planned to be Set: 25
Length of Conductor Pipe required: None
Projected Total Depth: 1500
Formation at Total Depth: Arbuckle Dolomite

KCC DKT: # CONSERVATION DIVISION WICHITA, KS

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 2 COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 days of spud date.

This authorization 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: 5-10-04
Signature of Operator or Agent:

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

Remember to:
- File Drilling Application (form CDP-1) with intent to Drill;
- File Completion Form AGO-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:
Date: