KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

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

Spur Date: October 24, 2005

Expected Spud Date: month day year

OPERATOR: Licensee: 33344
Name: Gwalt Cherry LLC
Address: 9520 North May Avenue, Suite 300
City/State/Zip: Oklahoma City, OK 73107
Contact Person: Richard Martin
Phone: 405-468-1004

CONTRACTOR: Licensee: Will Be Licensed by KCC
Name: Will Advise on ACO-1

Well Drilled For: prod Class: Spud Equipment:
Oil Gas Evac H20 Oil Rotary Gas Rotary Water Injection Other
Dewater Vapage Wiscat Coiled Tubing

If UNWQ: 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: NE SW Set: 0 Sec: 30 R: 19 T: 0
West

Is SECTION: Regular Irregular

(Note: Locate well on the Section Plan on reverse side)
County: Nance
Field Name: Cherokee Basin CBM
Ground Surface Elevation: 160
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:
200

Length of Surface Pipe Planned to be set:

Non

Projected Total Depth: 1500
Formation at Total Depth: Arbuckle Dolomite
Water Source for Drilling Operations:
Well Farm Pond Air

DWR Permit #:

(Note: Apply for Permit with DWR)

Will Core be taken?
Yes No
If Yes, proposed zone:

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-154

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 unceded materials plus a minimum of 30 feet into the underlying formation;
4. If the well is city hole, an agreement between the operator and the district office on plug length and placement is necessary prior to spudding;
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 #193,891-C. which applies to the KCC District 5 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 testify to my knowledge and belief.

Date: 10/14/2005 Signature of Operator or Agent:

Title: Chief Operating Officer

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

For KCC Use Only

API a 15

Cond. pipe required: None feet

Min. surface pipe: 172 feet per All. 41.06

This authorization expires
(See authorization void if drilling not started within 6 months of approval date)

Spud date: Agent:

Remember to:

1. The Drill Rig Application (form CDP-1) with Intent to Drill;
2. File Completion Form ACO-1 within 120 days of spud date;
3. File acreage attention plat accompanying to field production order;
4. Notify appropriate district office 48 hours prior to workover or re-entry;
5. Submit plugging report (CDP-4) after plugging is completed;
6. Obtain written approval before disposing or discharging any water.

If this term 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:

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

[Signature]
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.

AIR No. 15 - Qtr. Cherokees LLC
Operator: Quail Cherokees LLC
Lease: Cattle, Florence
Wells Numbered: 7
Field: Cherokees Basin CBM
Number of Acreage attributable to well:

<table>
<thead>
<tr>
<th>Location of Well: County: Neosho</th>
</tr>
</thead>
<tbody>
<tr>
<td>1590</td>
</tr>
<tr>
<td>Section: 7</td>
</tr>
<tr>
<td>Township: 30</td>
</tr>
<tr>
<td>Range: 19</td>
</tr>
<tr>
<td>Line or Section:</td>
</tr>
<tr>
<td>1/2 W of Fraction</td>
</tr>
<tr>
<td>2/4 East</td>
</tr>
<tr>
<td>Line of Section:</td>
</tr>
<tr>
<td>S of 8</td>
</tr>
<tr>
<td>Regular or Irregular:</td>
</tr>
</tbody>
</table>

In Section is irregular, locate well from nearest corner boundary. Section corner used:

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

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

1. The manner in which you are using the depicted plat by with adjoining sector 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. It is proposed location to be located within a prorated or spaced field. A certificate of acreage attribution plat must be attached (CO-7 for oil wells; CO-8 for gas wells).