NOTICE OF INTENT TO DRILL

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

FOR KCC Use ONLY
API # 15 138-26351-00-00
Conductor pipe required = None
Minimum surface pipe length = 4,300 feet
Approved by KCC 138-26351-00-00
This authorization expires 4-3-06
Expiration date = 4-3-06

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Remember:
- File DRI Drill Application (Form CDP-1) will Intent to Drill.
- FILE COMPLIANCE FORM (CP-1) 120 days of spud date.
- File a surface allocation plot according to the location on file.
- Notify appropriate district office 44 hours prior to work order or re-employment.
- Submit plugging report (CP-4) after plugging is completed.
- Obtain water approval before depositing or引用ing salt water.
- If the permit has expired (due to unauthorized expiration date) please check the box below and return to the KCC office:
- Well Not Drilled - Permit Expired

Date: November 2, 2005
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW
PLOT 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 field 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.

AP No. 15
Operator: Quail Cherokee LLC
Lease: Beallner Brothers SWG
Well Number: 10-1
Field: Cherokee Basin/CBM
Number of Acres attributable to well: 2310
Location of Well: County: Neosho
WT Number: 330
Strat from: S N
Sec: 19
Twp: 30
S. R. 19
E of East/West
Is Sector: Regular or Irregular
If Sector is Irregular, locate well from nearest corner boundary. Sector corner used: NE NW SE SW

PLAT
(Show location of the well and shade acreage attributable to 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.

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 4 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section's true north and east west.
3. The distance to the nearest lease or unit boundary line.
4. If the proposed location is located within a prorated or spaced field a certification of acreage attribution plat must be attached: (CD-7 for oil wells; CD-8 for gas wells).
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 316-337-6260.

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