NOTICE OF INTENT TO DRILL

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

FOR KCC Use

On or Before

Gas or Oil

January 12, 2006

CONTRACTOR: Licenses Will be issued by the KCC

Name: 

Will advise on the ACO-1

Name of Well: 

WELL CLASS: 

Type of Equipment:

Mud Rotary

Disposal: 

Webster

Other:

Coalbed Methane

If OWND: old well information as follows:

Operator:

If Yes, true vertical depth:

Bottom Hole Location:

Original Completion Date:

Original Total Depth:

Directional, Deviate or Horizontal well? 

Yes  

No

KCC DKT #

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with 8 K.A.R. 58-5-62.

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 is to be sent by certified mail to the district office;
3. The minimum amount of surface pipe as specified below shall be set by circulating cement to the top of all casing to prevent water or gas from entering the formation.
4. If the well is on oil, an agreement between the operator and the district office on plug depth and placement is necessary prior to plugging;
5. The appropriate district office will be notified before well is either plugged or production casing is connected to; and
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 days of spud date. The permit shall be modified to reflect this and the date of completion.

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

Signature of Operator or Agent:

Date:

January 6, 2006

EXECUTE-6 Vice-President

RECEIVED

KANSAS CORPORATION COMMISSION

CPS-06

January 3, 2006

CONSERVATION DIVISION

Mail to: KCC - Conservation Division, 130 S. Market - room 2078, Wichita, Kansas 67202
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 oil wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for gas wells.

API No: 15
Operator: Quail Cherokee LLC
Lease: McCoy, Virginia
Well Number: 19-1
Field: Cherokee Basin CBM

Location of Well: County: Neosho
660 feet from Ne / S Line of section
1380 feet from T / W Line of Section
Sec: 19 Twp: 28 S. R. 19
East / West

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

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 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. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: CG-7 for oil wells; CG-8 for gas wells.

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.)

EXAMPLE

3900'