KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

January 18, 2006

Expected Spud Date:

OPERATOR:
Name: Quail Cherokee LLC
Address: 1000 East 29th Avenue, Suite 300
City/State/Zip: Oklahoma City, Oklahoma 73120
Contact Person: Richard Martin
Phone: 405-588-1204

CONTRACTOR:
Name: Will be licensed by the KCC
Will Drill For:
Well Class: Gas
Type of Equipment: Air Rotary
Gas Storage: Yes
GYSO: Yes
Lime: Yes
Poly: No
Other: 3,4,5-Trimethanol

If DWWD: did well information as follows:
Operator:
Well Name: 5-23-06
Original Completion Date: Original Total Depth: 3,415 ft
Directional, Deviated or Horizontal Well?: Yes
Yes for vertical depth:
Before New Location:
KCC DKT #:

AFFIDAVIT

The undersigned hereby states that he drilling, completion and/or eventual plugging of this well will comply with K.S.A. 55-4016.

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 such drilling rig;
3. The minimum amount of spillsTaken per specified below shall be set by the Guarding to the top of the spill area, to prevent migration to groundwater; the minimum amount of spill per specified below shall be set by the Guarding to the top of the spill area, to prevent migration to groundwater;
4. The well shall have an agreement between the operator and the district office for length and plunger is necessary prior to drilling;
5. The appropriate district office will be notified before well is either plunger or injection casing is cemented:
6. If an ALTERNATE Completion, production pipe shall be cemented from below any usable water to surface within 120 days of spud date.

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

Date: 1/13/06
Signature of Operator or Agent: ____________________________
Title: VP

Check Spud Date:

For KCC Use Only

Am # 12-31-2005

Conductor pipe required: None

Minimum surface pipe connection pressure: 300 psi

Approved by: KCC

This authorization void if drilling not started within (6) months of the date below.

(THIS AUTHORIZATION VOID IF DRILLING NOT STARTED WITHIN 6 MONTHS OF THE DATE BELOW)

Spud Date: 2-17-06

Remember to:

- File Drilling Application Form C-3 with Intent to Drill.
- File Completion Form ACD-1 within 120 days of spud date.
- File according to award and all additional documents:
- Notify appropriate district office (4) days prior to spud or entry.
- Submit plugging report (CP-4) after plugging is complete.
- Obtain written approval before disposing of or rejecting 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: 3/28/06

KCC - Conservation Division, 130 S. Market, Room 207B, Wichita, Kansas 67222
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 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 if the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15:
Operator: Guest Cherokee LLC
Lease: Keplley Farms
Well Number: 34-1
Field: Cherokee Basin CBM
Number of Acres attributable to well:
QTR / QTR / QTR of acreage:

Location of Well: County: Wilson
1980
800
Sec. 34

Line of Section

East from

Line of Section

W

E

R

17

East

West

Is Section: ☐ Regular or ☐ Irregular
If Section is Irregular, locate well from nearest corner boundary. Section corner units: ☐ 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.)

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 quartered 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).