

# UPDATE

# \* CORRECTED

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

Form C-1  
December 2002  
Form must be Typed  
Form must be Signed  
All blanks must be Filled

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

or KCC Use: 6-19-06  
Effective Date: 3  
District # 3  
GA?  Yes  No

Expected Spud Date 6/26/2006  
month day year

OPERATOR: License# 32912 ✓  
Name: Carroll Energy, LLC  
Address: 2198 Valley High Dr  
City/State/Zip: Independence, KS 67301  
Contact Person: Terry Carroll  
Phone: (620) 331-7166

CONTRACTOR: License# 33374 ✓  
Name: L & S Well Service, LLC

Well Drilled For:  Oil  Enh Rec  Infield  Mud Rotary  
 Gas  Storage  Pool Ext.  Air Rotary  
 OWWO  Disposal  Wildcat  Cable  
Seismic: # of Holes  Other

OWWO: old well information as follows:  
Operator: \_\_\_\_\_  
Well Name: \_\_\_\_\_  
Original Completion Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

Directional, Deviated or Horizontal wellbore? Yes  No  
Yes, true vertical depth: \_\_\_\_\_  
Bottom Hole Location: \_\_\_\_\_  
CC DKT #: \_\_\_\_\_

WAS: 2936' FEL  
IS: 3070' FEL

### AFFIDAVIT

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 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 #133.891-C, which applies to the KCC District 3 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 to the best of my knowledge and belief.

Date: 06/12/2006 Signature of Operator or Agent: \_\_\_\_\_

Title: Operating Manager

#### For KCC Use ONLY

API # 15 - 205-26757-0000  
Conductor pipe required None feet  
Minimum surface pipe required 20 feet per Alt. Y(2)  
Approved by: Roth 6-14-06 / Roth 6-27-06  
This authorization expires: 12-14-06  
(This authorization void if drilling not started within 6 months of approval date.)

Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

Spot NE NE SW Sec. 7 Twp. 29S S. R. 16E  East  
2296 feet from N /  S Line of Section  
3070 feet from  E / W Line of Section  
Is SECTION  Regular  Irregular?

(Note: Locate well on the Section Plat on reverse side)  
County: Wilson  
Lease Name: LOUIA Well #: C-1  
Field Name: Fredonia  
Is this a Prorated / Spaced Field? Yes  No   
Target Formation(s): Cherokee Coals  
Nearest Lease or unit boundary: 380'  
Ground Surface Elevation: 848 feet MSL  
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: 300'+  
Surface Pipe by Alternate:  1  2  
Length of Surface Pipe Planned to be set: 20'  
Length of Conductor Pipe required: \_\_\_\_\_  
Projected Total Depth: 1200'  
Formation at Total Depth: Mississippi  
Water Source for Drilling Operations:  Well  Farm Pond  Other  
DWR Permit #: \_\_\_\_\_  
(Note: Apply for Permit with DWR )  
Will Cores be taken? Yes  No   
If Yes, proposed zone: \_\_\_\_\_

RECEIVED

JUN 26 2006

KCC WICHITA

#### Remember to:

- File Drill Pit Application (form CDP-1) with Intent to Drill;
  - File Completion Form ACO-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: \_\_\_\_\_

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

RECEIVED

JUN 13 2006