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SEP 25 2006

For KCC Use:

Effective Date:

District #

SGA? ☐ Yes ☒ No

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

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

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

Expected Spud Date 9/28/2006
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 Jr.
Phone: (620) 330-7213

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

Well Drilled For: ☒ Oil ☐ Gas ☐ OWWO ☐ Seismic; ☐ Other
Well Class: ☒ Enh Rec ☐ Storage ☐ Disposal ☐ # of Holes ☐ Other
Type Equipment: ☒ Intfield ☐ Pool Ext. ☐ Wildcat ☐ Other
☐ Mud Rotary ☒ Air Rotary ☐ Cable

If OWWO: 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 SE - SE - SE Sec. 19 Twp. 26S S. R. 21E ☒ East ☐ West
360 feet from ☐ N / ☒ S Line of Section
360 feet from ☒ E / ☐ W Line of Section
Is SECTION Regular ☒ Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Allen
Lease Name: WOLFE Well #: 19-C4
Field Name: ELSMORE SHOESTRING

Is this a Prorated / Spaced Field? ☐ Yes ☒ NoTarget Formation(s): Cherokee CoalsNearest Lease or unit boundary: 360'Ground Surface Elevation: 1020 feet MSLWater well within one-quarter mile: ☐ Yes ☒ NoPublic water supply well within one mile: ☐ Yes ☒ NoDepth to bottom of fresh water: 100'+Depth to bottom of usable water: 288+175'Surface Pipe by Alternate: ☐ 1 ☒ 2Length of Surface Pipe Planned to be set: 20'

Length of Conductor Pipe required: _____

Projected Total Depth: 1100'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: _____

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: 09/22/2006 Signature of Operator or Agent: [Signature] Title: Land Manager

For KCC Use ONLY

API # 15 - 001-29509-0000Conductor pipe required None feetMinimum surface pipe required 20 feet per All. X(2)Approved by: PH 9-26-06This authorization expires: 3-26-07

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

Spud date: _____ Agent: _____

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 ExpiredSignature of Operator or Agent: [Signature]Date: 9/25/07

Mail to: KCC - Conservation Division, 130 S. Market - Room 2096, Wichita, Kansas 67202
RECEIVED
KANSAS CORPORATION COMMISSION

APR 26 2007

CONSERVATION DIVISION
WICHITA, KS

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