For KCC Use: Effective Date:

KANSAS CORPORATION COMMISSION NOTICE OF INTENT TO DE COMMISSION NOTICE DE

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

MOA 3 U 5001 CONSERVATION ON ISLOW Form C-1 December 2002 Form must be Typed) Form must be Signed All blanks must be Filled

NE NW NE Sec. 6 Tap. 298 s. R. 16E West 32912 Substitute Nest 32912 Substitute Substitute Nest 32912 Substitute Subst	12/5/2007	Spot x Eas
Section Carroll Energy, LLC Same Carroll Energy C	Expected Spud Date	
Special Content Special Co	32912	
Institute Section Requiser Montace Requiser Montace Requiser Montace Requiser Montace Requiser Montace Requiser Req	PERATOR: License#	4650
Independence, KS 67301 White Content will on the Section Plat on reverse side) White Content will on the Section Plat on reverse side) White Content will on the Section Plat on reverse side) White Content will on the Section Plat on reverse side) White Content will on the Section Plat on reverse side) White Content will on the Section Plat on reverse side) White Content will be set by content of Special Research White Content will be set by could be set at the content will be met: White White White Content will be met: White White White White White White Content will be met: White	200 Arco Place, Suite 230, Box 149	
County: Milson County	Independence KS 67301	
Contractor Con	Tomy Carmil Ir	Wilson
South Dried For Well Class: Type Equipment Special Mark Special Service LE Similar Special Service LE Similar Special Service Special	(620) 332-1600	FIESELE N 6-C1
South Part College South Service LLC La S Well Service LLC La S Well Service LLC Target Formation(s): Cherokee Coals Target Formation(s): Cherokee Coals South Service LLC La S Well Service LLC Multi Rotary Multi Rotary Multi Dillided For: Well Class: Type Equipment: Multi Rotary Multi Rotary Multi Coals Multi Rotary Multi Coals Multi Rotary Multi Coals Multi Rotary Multi Coals Multi Rotary Multi		Erodonia
Target Formation(s): ChetroRec Coals	JUNIANCIUM. LIUSISSE	
Name Delivery Section Name	vame: L & S Well Service, LLC	
Solitable Storage Pool Ext. All Rotary Mud Rotary Ground Surface Elevation: Vas. No.	141 / B. W. of France 184-19 Channel Trans Constanting	260/
Value well within one-quarter mile:		Ground Surface Elevation: 822 teet MS
Seismic: # of Holes Other Othe		Water well within one-quarter mile:
Seismic; # of Holes Other Depth to bottom of usable water Depth to Depth to Depth Depth to Depth Depth to Depth Depth to Depth Depth Depth to Depth Dept		Public water supply well within one mile:
Surface Pipe by Alternate: 1	the same of the sa	
OWWC: old well information as follows:		Depth to bottom of usable water:
Longth of Surface Pipe Plannes to be set: Length of Conductor Pipe required: Projected Total Depth: 1200 Promation at Total Depth: 1200 Waler Source for Drilling Operations: 1200 Wa	Other	Surface Pipe by Alternate: 1 X 2
Well Name: Original Completion Date: Origina	f OWWO: old well information as follows:	Length of Surface Pipe Planned to be set:
Original Completion Date: Original Total Depth: Mississippi Original Completion Date: Original Total Depth: More Source for Drilling Operations: Well X Farm Pond Other DWR Permit 8: Well X Farm Pond Other DWR Permit 8: Well X Farm Pond Other DWR Permit 8: Well X-popy for Permit with DWR 1. Will Cores be taken? 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. Nolity 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. It 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 18** - Eastern Kanasa surface casing order #133.991-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. It hereby certify that the statements made herein are true and to the best of my knowledge and be pt. Per KCC Use ONLY API is 15. 20.5** 2 7.375-0000 Conductor pipe required Minimum surface pipe required Minimum su	Operator:	
Water Source for Drilling Operations: Water Source for Drilling Operation Operation Operation (Mater Source Season) Water Source for Drilling Operation Operation Operation Operation (Mater Source Season) Water Source for Drilling Approved to the Call Season Operation Op	Well Name:	
Yes No Well X Farm Pond Other	Original Completion Date: Original Total Depth:	1
DWR Permit #: DWR Permit #: DWR Permit #: DWR Permit #in DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR DWR	Discolance Deviated as Marizental wellhors?	
Note: Apply for Permit with DWR Yes X No Yes X No		to condition to the control of the c
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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. Notity 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 pipug 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 deys of spud date. Or pursuant to Appendix "8" - 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 comenting. Thereby certify that the statements made herein are true and to the best of my knowledge and be'pt. Date: 11/29/2007 Signature of Operator or Agent: Title: Land Manager Remember to: File Completion Form ACO-1 within 120 days of spud date; File completion Form ACO-1 within 120 days of spud date; File completion Form ACO-1 within 120 days of spud date; File completion Form ACO-1 within 120 days of spud date; File completion Form ACO-1 within 120 days of spud date; File completion Form ACO-1 within 120 days of spud date; File completion Form ACO-1 within 120 days of spud date; File completion Form ACO-1 within 120 days of spud date; File completion Form ACO-1 within 120 days of spud date; File complet		prime to the state of the state
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For KCC Use ONLY API * 15 - 205 - 27375 -0000 Conductor pipe required	1. Notity the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on ea. 3. The minimum amount of surface pipe as specified below <i>shall be</i> at through all unconsolidated materials plus a minimum of 20 feet into the second of the well is dry hole, an agreement between the operator and the construction of the specified district office will be notified before well is either plus to the appropriate district office will be notified before well is either plus to the specified and at the composition of the specified of the well shall be the specified within 30 days of the spud date or the well shall be the specified within the statements made herein are true and to the best of the specified within 30 days of the spud date.	et by circulating cement to the top; in all cases surface pipe shall be set the underlying formation. district office on plug length and placement is necessary prior to plugging; gged or production casing is cemented in; alted from below any usable water to surface within 120 days of spud date. #133.891-C, which applies to the KCC District 3 area, alternate il cementing be plugged. In all cases, NOTIFY district office prior to any cementing. of my knowledge and be infinitely.
For KCC Use ONLY API # 15 - 205 - 27375 - 2000 API # 15 - 205 - 27375 - 2000 Conductor pipe required	Date: 11/29/2007 Signature of Operator or Agent:	
API * 15 - 205 - 27375 - 2000 Conductor pipe required	For KCC II ONLY	1
File acreage attribution plat according to field proration orders; Conductor pipe required	つった コフススインのはつ	
Minimum surface pipe required 20 feet per Alt. (2) Approved by: Pub-12-4-07 This authorization expires: 12-4-08 (This authorization void if drilling not started within a months of approval date.) Spuid date: Agent: Date: Dat	API * 15 - DI -	File acreage attribution plat according to field proration orders;
Approved by: Pub-12-4-57 This authorization expires: 12-428 (This authorization void if drilling not started within a months of approval date.) Spud date: Agent:	20 VA	1
This authorization expires: (This authorization void if drilling not started within a months of approval date.) Spud date: Agent: 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:	With the source bibe reduited	
(This authorization void if drilling not started within a months of approval date.) Spud date: Agent: Check the box below and return to the address below. Well Not Drilled - Permit Expired Signature of Operator or Agent: Date:	Approved by: Fut-12-4-01	
(This authorization void if drilling not started within a months of approval date.) Spuid date: Agent: Signature of Operator or Agent: Date:		
Spud date: Agent: Signature of Operator or Agent: Date:	(This authorization void if drilling not started within months of approval date.)	
Date:	12	
	Spud date: Agent:	

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 gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15 - 🕰	05-275	375-000	<u>مح</u>		Location of W	/ell: County: Wilson	
Operator:	Carroll E	Energy, LLC				330 feet from X N /	S Line of Section
Lease:	EIESEL	EN				1650 feet from X E /	W Line of Section
Well Number:	6-C1				Sec6		X East We
Field:	Fredonia	<u>a</u>				•	
Number of Acre	s attributable t	80 well:			is Section:	Regular or X Irregular	
QTR/QTR/QT	R of acreage:	NE	_NW	NE	if Section is	Irregular, locate well from nearest	corner boundary.
							SW
	(3			and shade attribu	. AT utable acreage fo t lease or unit bo	r prorated or spaced wells.) undary line.)	N 30 2007 RATION COMMISSION
				330		REC	N 30 2007
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NOTE: In all cases locate the spot of the proposed drilling locaton.

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.
- If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).

SEWARD CO.

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

APPLICATION FOR SURFACE PIT

RECEVON COMMINERS CORPORATION ON SION Form CDP-1
ROW 30 2007
ROWSERVATION ON FORM CDP-1
CONSERVATION FORM MUST be Typed

Submit in Duplicate

Operator Name: Carroll Energy,	LLC		License Number: 32912			
Operator Address: 200 Arco Place,	Suite 230, Box 14	l9, Independer	nce, KS 67301			
Contact Person: Terry Carroll Jr.			Phone Number: (620) 332-1600			
Lease Name & Well No.: EIESELE N 6-C	1		Pit Location (QQQQ):			
Type of Pit:	Pit is:		_C NE NW NE_			
Emergency Pit Bum Pit	Proposed [Existing	Sec. 6 Twp. 29S R. 16E X East West			
Settling Pit X Drilling Pit	If Existing, date con	nstructed:	330 Feet from X North / South Line of Section			
Workover Pit Haul-Off Pit	Pit capacity:		1650_ Feet from [X] East / [_] West Line of Section			
(If WP Supply API No. or Year Drilled)	300	(bbis)	Wilson County			
is the pit located in a Sensitive Ground Water	Area? Yes 🗌	No	Chloride concentration: NA mg/l			
			(For Emergency Pits and Settling Pits only)			
Is the bottom below ground level? X Yes No	Artificial Liner?	lo	How is the pit lined if a plastic liner is not used? CLAY			
Pit dimensions (all but working pits):	20 Length (fee	et)8	Width (feet) N/A: Steel Pits			
	om ground level to de					
If the pit is lined give a brief description of the liner material, thickness and installation procedure. Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.						
		Depth to shallo Source of infor	owest fresh water20feet. rmation:			
NA feet Depth of water wellfeet		measuredwell owner electric logKDWR				
			Drilling, Workover and Haul-Off Pits ONLY:			
Producing Formation: Type of mate			al utilized in drilling/workover: FRESH WATER			
Number of producing wells on lease: Number of wo		working pits to be utilized:				
Barrels of fluid produced daily: Abandonmen		Abandonment	procedure: AIR DRY			
Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No Drill pits mu		Drill pits must t	Il pits must be closed within 365 days of spud date.			
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.						
11/29/2007 Date Signature of Applicant or Agent						
Date Received: 11/30/07 Permit Number: Permit Date: 12/04/07 Lease Inspection: Yes No						
Date Received: 11/30/07 Permit Num	nber:	Perm	nit Date: 12/04/07 Lease Inspection: Yes No			



Kathleen Sebelius, Governor Thomas E. Wright, Chairman Michael C. Moffet, Commissioner Joseph F. Harkins, Commissioner

December 4, 2007

Terry Carroll Jr. Carroll Energy, LLC 200 Arco Place, Ste 230 Independence KS 67301

Re:

Drilling Pit Application

Eiesele N Lease Well No. 6-C1

NE/4 06-29S-16E

Wilson County, Kansas

Dear Mr. Carroll:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as practical after drilling operations have ceased.

If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 432-2300 when the fluids have been removed. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: http://kcc.ks.gov/conservation/forms/

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,

Jonelle Rains, Supervisor

Sonelle Raine

Department of Environmental Protection and Remediation

CC:

Steve Korf

File