

For KCC Use: 8-13-08
 Effective Date: 3
 District # 3
 RGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

Form C-1
 October 2007
 Form must be Typed
 Form must be Signed
 All blanks must be Filled

NOTICE OF INTENT TO DRILL

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

Expected Spud Date: August 05 2008
month day year

OPERATOR: License# 32912
 Name: Carfoil Energy, LLC
 Address 1: 200 Arco Place, Suite 230, Box 149
 Address 2:
 City: Independence State: KS Zip: 67301
 Contact Person: Terry Carroll Jr
 Phone: 620-332-1600

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

Spot Description:
C - SE - NW - NE Sec 30 Twp 26S S. R. 20E E W
(33374)
990 feet from N / S Line of Section
1650 feet from E / W Line of Section

Is SECTION: Regular Irregular?

County: ALLEN (Note: Locate well on the Section Plat on reverse side)
 Lease Name: RYAN-681 Well #: 30-C1

Field Name: HUMBOLDT-CHANUTE

Is this a Proposed / Spaced Field? Yes No

Target Formation(s): Cherokee Coals

Nearest Lease or unit boundary line (in footages): 360

Ground Surface Elevation: 937 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' / 175'

Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: 20'

Length of Conductor Pipe (if any):

Projected Total Depth: 1000'

Formation at Total Depth: Mississippi

Water Source for Drilling Operations:

Well Farm Pond Other

DWR Permit #: (Note: Apply for Permits with DWR)

Will Cores be taken? Yes No

If Yes, proposed zone:

Well Drilled For: Oil Gas Saltwater Other

Well Class: Infill Pool Ext. Wildcat Other

Type Equipment: 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 DIST #:

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 #102,891-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 correct to the best of my knowledge and belief.

Date: 07/30/2008 Signature of Operator or Agent: [Signature] Title: Land Manager

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For KCC Use ONLY
 API # 15: 001-29834-0000
 Conductor pipe required: None feet
 Minimum surface pipe required: 20 feet per ALT I II
 Approved by: Kurt 8-8-08
 This authorization expires: 8-8-09
(This authorization void if drilling not started within 12 months of approval date)
 Spud date: _____ Agent: _____

- Remember to:
- File Drill Pt. Application (form CDP-1) with Intent to Drill;
 - File Completion Form AGO-1 within 120 days of spud date
 - File acreage attribution plat according to field promotion orders;
 - Notify appropriate district office 48 hours prior to workover or re-entry;
 - Submit plugging report (CP-4) after plugging is completed (within 60 days);
 - 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 Date: _____
 Signature of Operator or Agent: _____

30
 26
 20
 15
 10
 5

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

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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.

AP No. 15 001-29834-0000
 Operator: Carroll Energy, LLC
 Lease: RYAN-681
 Well Number: 30-C1
 Field: HUMBOLDT-CHANUTE
 Number of Acres attributable to well: 80
 QTR/OTR/OTR/OTR of acreage: C SE NW NE

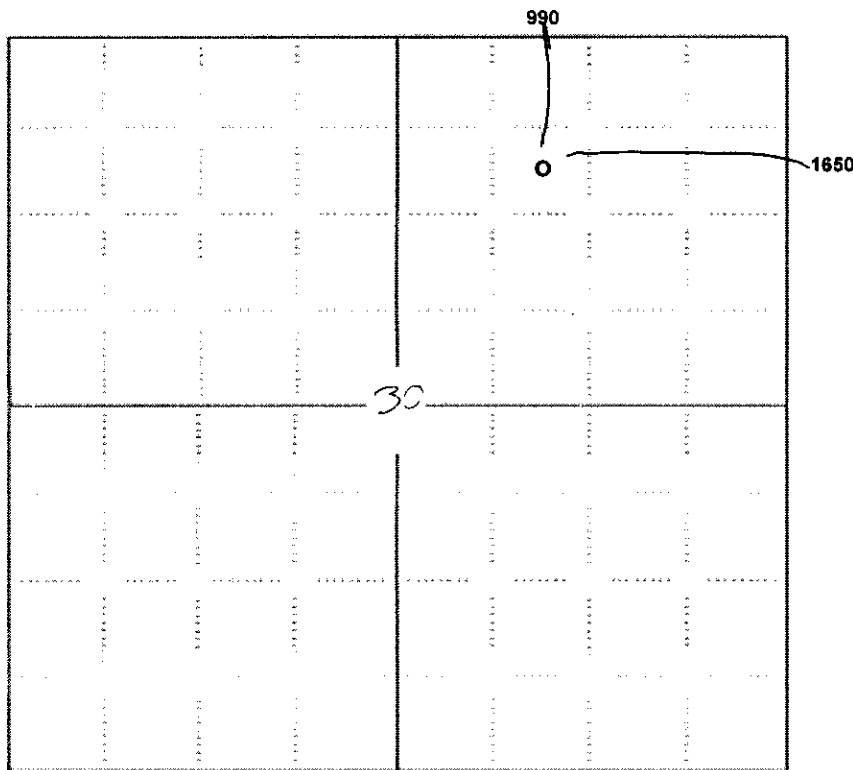
Location of Well: County: ALLEN
990 feet from N / S Line of Section
1650 feet from E / W Line of Section
 Sec. 30 Twp. 26S S. R. 20E E W

In Section: Regular or Irregular

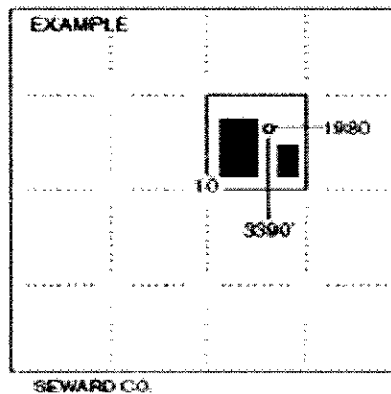
If Section is irregular, locate well from nearest corner boundary.
Section corner used: NE NW SE SW

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.)



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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 south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells, CO-8 for gas wells).

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**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT**

Form KCC 1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name Carroll Energy, LLC		License Number 32912	
Operator Address 200 Arco Place, Suite 230, Box 149, Independence, KS 67301			
Contact Person Terry Carroll Jr.		Phone Number (620) 332-1600	
Lease Name & Well No. RYAN-681 30-C1		Pit Location (OOOO) C . SE . NW . NE	
Type of Pit	Pit is	Sec 30 Twp 26S R 20E <input checked="" type="checkbox"/> East <input type="checkbox"/> West	
<input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit	<input type="checkbox"/> Proposed <input type="checkbox"/> Existing	Feet from <input checked="" type="checkbox"/> North <input type="checkbox"/> South Line of Section	
<input type="checkbox"/> Sealing Pit <input checked="" type="checkbox"/> Drilling Pit	If Existing, date constructed	990	
<input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit	Pit depth (ft)	Feet from <input checked="" type="checkbox"/> East <input type="checkbox"/> West Line of Section	
(If WSP Supply API No. or Year Drilled) <input checked="" type="checkbox"/> X	300 (DDIs)	ALLEN County	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration NA mg/l <i>(For Emergency Pits and Sealing Pits only)</i>	
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		How is the pit lined if a plastic liner is not used? CLAY	
Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Pit dimensions (all but working pits) Length (feet) 20 Width (feet) 8		N/A Steel Pits	
Depth from ground level to deepest point: 5 (feet)			
If the pit is lined give a brief description of the liner material, thickness and installation procedure		Describe procedures for periodic maintenance and detection of liner integrity including any special monitoring	
Distance to nearest water well within one-mile of pit N/A feet		Depth to shallowest fresh water 20 feet Source of information: measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KQWR <input type="checkbox"/>	
Depth of water well <input type="checkbox"/> feet			
Emergency, Sealing and Burn Pits ONLY:		Drilling, Workover and Haul-Off Pits ONLY:	
Producing Formation		Type of material utilized in drilling/workover FRESH WATER	
Number of producing wells on lease		Number of working pits to be utilized 1	
Barrels of fluid produced daily		Abandonment procedure AIR DRY	
Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drill 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		RECEIVED KANSAS CORPORATION COMMISSION WICHITA, KS AUG 07 2008 CONSERVATION DIVISION WICHITA, KS	
Date 07/30/2008		Signature of Applicant or Agent 	

KCC OFFICE USE ONLY

Date Received **8/7/08** Permit Number _____ Permit Date: **8/7/08** Lease Inspection: Yes No

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