

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

WELL COMPLETION FORM

WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

7/11/08

Operator: License # 32912
Name: Carroll Energy, LLC
Address: 200 Arco Place - Suite 230 - Box 149
City/State/Zip: Independence, KS 67301
Purchaser: _____
Operator Contact Person: Tim Carroll
Phone: (620) 332-1600
Contractor: Name: L & S Well Service
License: 33374

KCC
JUL 11 2007
CONFIDENTIAL

Wellsite Geologist: _____
Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)

If Workover/Re-entry: Old Well Info as follows:
Operator: _____
Well Name: _____

Original Comp. Date: _____ Original Total Depth: _____
 Deepening Re-perf. Conv. to Enhr./SWD
 Plug Back Plug Back Total Depth
 Commingled Docket No. _____
 Dual Completion Docket No. _____
 Other (SWD or Enhr.?) Docket No. _____

3/23/2007 3/24/2007 4/10/2007
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 15-019-26789-00-00
County: Chautauqua
NE.NW. NE Sec. 7 Twp. 32S. R. 10E East West
360 feet from S / (circle one) Line of Section
1650 feet from W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: MALONE Well #: 7-C1
Field Name: Hylton North
Producing Formation: Cherokee Coals
Elevation: Ground: 1155 Kelly Bushing: _____
Total Depth: 2299 Plug Back Total Depth: 2280
Amount of Surface Pipe Set and Cemented at 42.1 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from _____
feet depth to _____ w/ _____ sx cmt.

Drilling Fluid Management Plan AK II NH 8-5-08
(Data must be collected from the Reserve Pit)
Chloride content _____ ppm Fluid volume _____ bbls
Dewatering method used _____
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License No.: _____
Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
County: _____ Docket No.: _____

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: [Signature]
Title: Vice Operating Manager Date: 7/11/2007

Subscribed and sworn to before me this 11 day of July,
2007.

Notary Public: Chelsea L Carr
Date Commission Expires: 3-28-2011

A. CHELSEA L. CARR
Notary Public - State of Kansas
My Appt. Expires 3-28-2011

KCC Office Use ONLY
 Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
RECEIVED
KANSAS CORPORATION COMMISSION
JUL 23 2007

CONSERVATION DIVISION
WICHITA KS

Operator Name: Carroll Energy, LLC Lease Name: MALONE Well #: 7-C1
 Sec. 7 Twp. 32S S. R. 10E East West County: Chautauqua

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: Density Nuetron	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum See Attached
---	--

KCC
 JUL 11 2007
 CONFIDENTIAL

CASING RECORD <input type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface	11"	8.625	32	42.1	Portland	11	
Production	6 3/4"	4 1/2	10.5	2280	50/50, Blu	270	

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record <i>(Amount and Kind of Material Used)</i>	Depth
4	2217 - 2220	500 Gal Acid, ...	

RECEIVED
 KANSAS CORPORATION COMMISSION
 JUL 23 2007
 CONSERVATION DIVISION
 WICHITA, KS

TUBING RECORD	Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.		Producing Method <input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)		
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio Gravity

Disposition of Gas Vented Sold Used on Lease *(If vented, Submit ACO-18.)*

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled Other (Specify) _____

Production Interval _____

L S Well Service, LLC #33374
543-A 22000 Rd.
Cherryvale, KS 67335
620-328-4433

DRILLER LOG
CARROLL ENERGY

Malone #7-C1
S7, T32, R10
Chautauqua County, Kansas
API#019-26789-0000

DIRT
LIME
SHALE
105-110 LIME
110-250 SHALE
250-280 LIME
280-285 BLACK SHALE
285-290 LIME
290-305 SHALE
305-315 LIME
315-425 SHALE
425-504 SAND WATER
504-521 SANDY SHALE
521-530 SHALE
530-540 LIME
540-551 SHALE
551-571 LIME
571-595 SHALE
595-650 SAND
650-900 SHALE
900-915 SAND
915-970 SANDY SHALE
970-1095 SHALE
1095-1117 LIME
1117-1157 SHALE
1157-1200 LIME
1200-1231 SANDY SHALE
1231-1342 SHALE
1342-1390 SAND
1390-1422 SHALE
1422-1427 SAND
1427-1450 SHALE
1450-1475 SANDY SHALE
1475-1462 SAND
1462-1510 SHALE
1510-1546 LIME
1546-1549 BLACK SHALE
1549-1563 LIME
1563-1590 SAND
1590-1618 LIME
1618-1633 SHALE
1633-1677 LIME
1677-1683 SHALE
1683-1685 BLACK SHALE
1685-1697 SHALE
1697-1705 LIME
1705-1718 SAND

3-23-07 Drilled 11" hole and set 42.1' of 8 5/8"
Surface casing with 11 sacks Portland cement.

3-26-07 Started drilling 6 3/4" hole

3-27-07 Finished drilling to T.D. 2299'

WATER @ 475'

465' 0"

1277' 6" ON 1/2" ORIFICE

1487' 0"

2299' 0"

2229' ODOR

KCC
JUL 11 2007
CONFIDENTIAL

RECEIVED
KANSAS CORPORATION COMMISSION

JUL 23 2007

CONSERVATION DIVISION
WICHITA, KS

L S Well Service, LLC #33374
543-A 22000 Rd.
Cherryvale, KS 67335
620-328-4433

DRILLER LOG
CARROLL ENERGY

Malone #7-C1,
S7, T32, R10
Chautauqua County, Kansas
API#019-26789-0000

1718-1756 SANDY SHALE
1756-1785 LIME
1785-1788 SANDY SHALE
1788-1818 SAND
1818-1843 SANDY SHALE
1843-1845 LIME
1845-1846 COAL
1846-1879 LIME
1879-1883 BLACK SHALE
1883-1893 SHALE
1893-1921 LIME
1921-1926 BLACK SHALE
1926-1930 LIME
1930-1934 BLACK SHALE
1934-1938 LIME
1938-1988 SHALE
1988-1989 COAL
1989-2010 SHALE
2010-2080 SAND
2080-2110 SANDY SHALE
2110-2205 SHALE
2205-2206 COAL
2206-2214 SHALE
2214-2299 LIME MISSISSIPPI

T.D. 2299'

7/11/08



Carroll Energy, LLC



200 Arco Place Suite 230 – Box 149, Independence, KS. 67301
Phone: (620) 332-1600 Fax: (620) 332-1601

July 11, 2007

Kansas Corporation Commission
Oil & Gas Conservation Division
130 S. Market – Room 2078
Wichita, KS 67202

MALONE 7-C1
API: 15-019-26789

KCC
JUL 11 2007
CONFIDENTIAL

To Whom it May Concern:

Enclosed is Form ACO-1 for the above referenced well. Carroll Energy respectfully requests that the KCC maintain this well information in a CONFIDENTIAL status for a period of 12 months from the date of receipt.

Should you have questions or need additional information, please contact our office. Thank you for your assistance.

Sincerely

Tim Carroll
Vice Operating Manager

Enclosures:

RECEIVED
KANSAS CORPORATION COMMISSION

JUL 23 2007

CONSERVATION DIVISION
WICHITA, KS