

JUN 10 2008

CONSERVATION DIVISION
WICHITA, KS

REQUEST FOR CHANGE OF OPERATOR

TRANSFER OF INJECTION OR SURFACE PIT PERMIT

Check Applicable Boxes:

- Oil Lease: No. of Oil Wells _____ **
- Gas Lease: No. of Gas Wells 2 **
- Gas Gathering System: _____
- Saltwater Disposal Well - Permit No.: _____
- Spot Location: _____ feet from N / S Line
_____ feet from E / W Line
- Enhanced Recovery Project Permit No. E27,456
- Entire Project: Yes No
- Number of Injection Wells 1 **

Field Name: _____

**** Side Two Must Be Completed.**

Effective Date of Transfer: 7/27/02
 KS Dept of Revenue Lease No.: 224629 ✓WB
 Lease Name: Keller/Summer
 _____ Sec. 1, 2 Twp. 29 S R. 15 E W
 Legal Description of Lease: The (SW/4) and NE (W/2 NW/4) of Section 1; + (E/2 SE/4) and (E/2 NE/4) of Section 2
 County: Wilson
 Production Zone(s): Coals
 Injection Zone(s): 686' - 788'

Surface Pit Permit No.: _____
(API No. if Drill Pit, WO or Haul)

_____ feet from N / S Line of Section
_____ feet from E / W Line of Section

Type of Pit: Emergency Burn Settling Haul-Off Workover Drilling ^{OR}

Past Operator's License No. 32349 exp. 7/30/99

Contact Person: _____

Past Operator's Name & Address: Rocky Mountain Operating Co.

Phone: _____

Title: _____

Date: _____

Signature: See Attached Oil + Gas Use

New Operator's License No. 329121

Contact Person: Tim Carroll

New Operator's Name & Address: Carroll Energy

Phone: 620 332-1600

200 Arco place

Oil / Gas Purchaser: Blueston Pipeline

Suite 230 - Box 149

Date: 6/5/08

INDEPENDENCE, KS 67301-5302

Signature: [Signature]

Acknowledgment of Transfer: The above request for transfer of injection authorization, surface pit permit # _____ has been noted, approved and duly recorded in the records of the Kansas Corporation Commission. This acknowledgment of transfer pertains to Kansas Corporation Commission records only and does not convey any ownership interest in the above injection well(s) or pit permit.

Carroll Energy is acknowledged as the new operator and may continue to inject fluids as authorized by Permit No. E-27,456. Recommended action: _____

_____ is acknowledged as the new operator of the above named lease containing the surface pit permitted by No.: _____

Date: 6-16-08 Barbara Montgomery
Authorized Signature

Date: _____
Authorized Signature

DISTRICT _____	EPR <u>6-16-08</u>	PRODUCTION <u>JUN 16 2008</u>	UIC <u>6-16-08</u>
Mail to: Past Operator <u>6-16-08</u>	New Operator <u>6-16-08</u>	District <u>6-16-08</u>	<u>3</u>

STATE OF KANSAS WILSON COUNTY	
FILED FOR RECORD THIS	30 DAY
OF JULY 20 02 AT 9:45	
O'CLOCK A M. AND RECORDED	
IN BOOK 250 AT PAGE 106	
TERESA A. YOUNG REGISTER OF DEEDS	

ORIGINAL COMPARED WITH RECORD

OIL AND GAS LEASE

AGREEMENT, Made and entered into this 27th day of July, 2002, by and between: Emmett C. Keller, a single man, and Jolinda F. Ward and Bruce A. Ward, husband and wife

Party of the first part, hereinafter called LESSOR (whether one or more) and Conquest Energy, Inc., Party of the second part, hereinafter called LESSEE.

WITNESSETH, That the said LESSOR, for Ten Dollars (\$10.00) and other consideration, cash in hand paid, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of the LESSEE to be paid, kept and performed, has granted, demised, leased and let and by these presents does grant, demise, lease and let unto said LESSEE, for the sole and only purpose of mining and operating for oil and gas, and laying pipe lines, and building tanks, power stations and structures thereon to produce, save, and take care of said products, all that certain tract of land situated in the County of Wilson, State of Kansas, described as follows, to wit:

The Southwest Quarter (SW/4) and the West Half of the Northwest Quarter (W/2 NW/4) of Section One (1); and East Half of the Southeast Quarter (E/2 SE/4) and East Half of the Northeast Quarter (E/2 NE/4) of Section Two (2), all in

Sections 1 and 2 of Township 29 South Range 15 East and containing approximately 400 acres more or less.

IT is agreed that this lease shall remain in full force for a term of 2 years from this date, and as long thereafter as oil or gas, or either of them, is produced from said land by the LESSEE in paying quantity. After the primary term hereof, cessation of production for One (1) year will result in the expiration of this lease, unless said production cessation shall be caused by the refusal of the gas purchaser to purchase gas from said lease. In such case this lease shall remain in full force and effect just as if there were production during such time as the gas purchaser continues to refuse gas from said lease.

IN consideration of the premises the said LESSEE covenants and agrees:

FIRST: To pay LESSOR, free of cost, the equal one-eighth (1/8) part of the gross proceeds of oil sold from the leased premise, said payments to be made monthly.

SECOND: To pay LESSOR for gas, where gas is found and sold from the lease premises, the equal one-eighth (1/8) part of the gross proceeds at the mouth of the well, said payments to be made monthly.

THIRD: To pay LESSOR for gas used off the premises or in the manufacture of casing-head gasoline, one-eighth (1/8) of the gross proceeds, at the prevailing market rate for the gas used, for the time during which such gas shall be used, said payments to be made monthly.

FORTH: To permit LESSOR the free use of gas or casing-head gas from wells producing or capable of producing such substances, for domestic purposes in the principal dwelling house on said land. LESSOR shall make all connections from the wellhead and shall take such gas or casing-head gas at his own risk and expense.

IF said LESSOR owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid the LESSOR only in the proportion which his interest bears to the whole and undivided fee, and the signing of this agreement shall be binding on each of the above named parties who sign, regardless of whether it is signed by any of the other parties.

LESSEE shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from ponds, streams, or wells of the LESSOR.

WHEN requested by LESSOR, LESSEE shall bury his pipelines and electric lines below plow depth.

NO well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the LESSOR.

NO well shall be drilled on hay meadows or cultivated farm ground without the written consent of the LESSOR.

LESSEE shall pay to LESSOR a one time drill site location fee of \$400.00 per each new well drilled under the terms of this Agreement as a liquidated damage fee for any damage it may cause to the land and/or to growing crops on said land from its operations.

LESSEE shall have the right at any time to remove all machinery and fixtures placed on said

RECEIVED
KANSAS CORPORATION COMMISSION

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