NOTICE OF INTENT TO DRILL

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

For KCC Use:

2-28-05

KANSAS CORPORATION COMMISSION

OIL & GAS CONSERVATION DIVISION

February 28, 2005

Expected Spud Date: month day year

OPERATOR: Licensed 32912

NAME: Dallas Energy, LLC

Address: 2198 Valley High Dr

City/State/Zip: Independence, KS 67301

Contact Person: Tony Carroll

Phone: 913 311 7166

CONTRACTOR: License 33374

Name: L & S Well Service, LLC

Phone: Other

Well Drilled For: Oil

Well Class: Water

Type: Disposal

Equipment: Mud Rotary

Gross: 10,000 ft

Net: 9,500 ft

If OKWO: old well information as follows:

Operator: N/A

Well Name: N/A

Original Completion Date: N/A

Original Total Depth: N/A

Directional, Deviated or Inclined wellbore? No

If Yes, true vertical depth: N/A

Bottom Hole Location: N/A

KCC Dkt #: N/A

APPROVAT

Remember to:

- File Drill Pit Application (form CDP-1) with Intent to Drill.
- File Completion Form KCC-1 within 120 days of spud date;
- File acreage assignment plat according to field section orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (GP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.

- If this permit has expired (file 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: FEB 2 2 2005

Mail to: KCC - Conservation Division, 130 S. Market - Room 207B, Wichita, Kansas 67202

Field Name: Frederick

Lease Name: Keller/Surplus

County: Butler

Location: Well C-2

Target Formation(s): Code, Mississippian

Nearest Lease or unit boundary: 352

Ground Surface Elevation: 996

Well Water within one-quarter mile: No

Public water supply well within one mile: No

Water depth to bottom of fresh water: 1090

Water depth to bottom of usable water: 305

Surface Pipe by Alternate: 1

Length of Surface Pipe Planned to be set: 20 ft

Length of Conductor Pipe required: None

Projected Total Depth: 1250 ft

Formation at Total Depth: Mississippi

Water Source for Drilling Operations:

DWR Permit #: N/A

Will Cores be taken? Yes

If Yes, proposed zone: N/A

APPROVAT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.

For KCC Use ONLY

API 15 - 205 - 25992.0000

Conductor pipe required: None

Minimum size surface pipe: 40

Feet per lift: 23.05

This authorization expires: FEB 2 2 2005

(received)

Mail to: KCC - Conservation Division, 130 S. Market - Room 207B, Wichita, Kansas 67202
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 or 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:
Operator: Carnell Energy, LLC
Lease: Keller/Summer
Well Number: C-2
Field: Fredonia
Number of Acres attributable to well:
CTR / CTR / CTR of acreage: SE, NE, SW

Location of Well: County: Wilson
1442 feet from N / SE Line of Section
3232 feet from N / NE Line of Section
Sec. 1, Twp. 25 S / 15 R
Eas., West

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

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 section’s south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached (CD-7 for oil wells; CG-8 for gas wells).