

TO: STATE CORPORATION COMMISSION  
CONSERVATION DIVISION - PLUGGING  
130 SOUTH MARKET, SUITE 2078  
WICHITA, KANSAS 67202

API Well Number: 15-175-20014-00-00  
Spot: SEWNENE Sec/Twnshp/Rge: 11-35S-31W  
535 feet from N Section Line, 715 feet from E Section Line  
Lease Name: PERRY Well #: 1  
County: SEWARD Total Vertical Depth: 6511 feet

Operator License No.: 8221  
Op Name: PARLAY OIL COMPANY  
Address: PO BOX 488 405 COLLARD  
SPEARMAN, TX 79081

PROD Size: 2.875 feet: 6139 WITH 150 SX CMT  
SURF Size: 8.625 feet: 1401 WITH 750 SX CMT *216*

Well Type: GAS UIC Docket No: \_\_\_\_\_ Date/Time to Plug: 03/23/2004 9:00 AM  
Plug Co. License No.: 31151 Plug Co. Name: SARGENT AND HORTON PLUGGING, INC.  
Proposal Rcvd. from: DON HORTON Company: SARGENT AND HORTON PLUGGI Phone: (580) 854-6515

Proposed Plugging Method: LOD 2 7/8" TUBING & ESTABLISH INJECTION RATE. PUMP HULLS & CMT TO PLUG PERFS. FREEPOINT 2 7/8", SHOOT OFF. PLUG COMING OUT OF HOLE WITH 2 7/8". LOAD HOLE FIRST 1425' WITH 50 SX CMT. 500' WITH 30 SX CMT. 40' WITH 10 SX CMT.

Plugging Proposal Received By: JIM HOLLAND Witness Type: COMPLETE (100%)  
Date/Time Plugging Completed: 03/23/2004 4:00 PM KCC Agent: JIM HOLLAND

Actual Plugging Report:

RIG UP TO 2 7/8" TUBING & ESTABLISH INJECTION RATE OF 1 BBL/MINUTE.  
PUMP 100# HULLS WITH 10 SX CMT. DISPLACE TO BOTTOM WITH 36 BBL MUD.  
PRESSURE TO 500 PSIG & SHUT IN. 1ST PLUG PULL OUT OF HOLE TO 1425'.  
CIRCULATE HOLE WITH MUD & PUMP 50 SX CMT. GOOD CIRCUALTION. 2ND  
PLUG PULL OUT OF HOLE WITH 2 7/8" TUBING TO 500'. LOAD HOLE & PUMP 30  
SX CMT. GOOD CIRCULATION. 3RD PLUG PULL OUT OF HOLE TO 40'. LOAD  
HOLE & PUMP 10 SX CMT TO SURFACE.

Perfs:

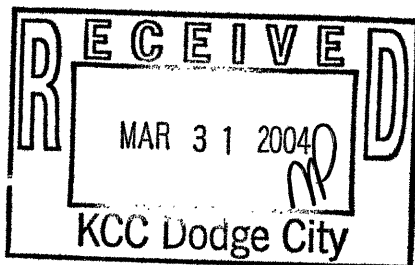
| Top  | Bot  | Thru | Comments |
|------|------|------|----------|
| 5976 | 6018 |      |          |

RECEIVED  
APR 08 2004  
KCC WICHITA

Remarks: USED COMMON CMT BY SARGENTS. RECOVERED 2460' OF 2 7/8" TUBING.

Plugged through: TBG

District: 01



Signed

*Jim Holland*  
(TECHNICIAN) *SA*

INVOICED

DATE 2.8.04  
INV. NO. 2004061403