

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

WELL PLUGGING APPLICATION

Please TYPE Form and File ONE Copy

Form CP-1
September 2003
This Form must be Typed
Form must be Signed
All blanks must be Filled

API # 15-145-20346-00-00 (Identifier Number of this well). This must be listed for wells drilled since 1967; if no API # was issued, indicate original spud or completion date 10-20-1974.

Well Operator: Smokey Valley Resources (Owner/Company Name) KCC License #: 32081 (Operator's)

Address: P.O. Box 305 City: Chase

State: Kansas Zip Code: 67524 Contact Phone: (620) 894-0212

Lease: Dixon Well #: #3 Sec. 17 Twp. 20 S. R. 20 East West

NW NW
SW NE SW Spot Location / QQQQ County: Pawnee

2310 Feet (in exact footage) From North / South (from nearest outside section corner) Line of Section (Not Lease Line)

330 Feet (in exact footage) From East / West (from nearest outside section corner) Line of Section (Not Lease Line)

Check One: Oil Well Gas Well D&A Cathodic Water Supply Well
 SWD Docket # _____ ENHR Docket # _____ Other: _____

Conductor Casing Size: _____ Set at: _____ Cemented with: _____ Sacks

Surface Casing Size: 8 5/8 Set at: 319 Cemented with: 185 Sacks

Production Casing Size: 5 1/2 Set at: 4355 Cemented with: 150 Sacks

List (ALL) Perforations and Bridgeplug Sets: 4355 to 4365 open hole

RECEIVED
KANSAS CORPORATION COMMISSION
JAN 11 2005
CONSERVATION DIVISION
WICHITA, KS

Elevation: 2220 (G.L. / K.B.) T.D.: _____ P.BTD: 4365 Anhydrite Depth: 1425

Condition of Well: Good Poor Casing Leak Junk in Hole

Proposed Method of Plugging (attach a separate page if additional space is needed):
Plug the well to the rules and regulations of the K.C.C.

Is Well Log attached to this application as required? Yes No Is ACO-1 filed? Yes No

If not explain why? _____

Plugging of this Well will be done in accordance with K.S.A. 55-101 et. seq. and the Rules and Regulations of the State Corporation Commission.

List Name of Company Representative authorized to be in charge of plugging operations: _____

George Saling Phone: (620) 894-0212

Address: P.O. Box 305 City / State: Chase, Kansas 67524

Plugging Contractor: Mikes Testing & Salvage (Company Name) KCC License #: 31529 (Contractor's)

Address: Chase, Kansas 67524 Phone: (620) 938-2943

Proposed Date and Hour of Plugging (if known?): NA

Payment of the Plugging Fee (K.A.R. 82-3-118) will be guaranteed by Operator or Agent

Date: 12-21-04 Authorized Operator / Agent: George Saling (Signature)

KANSAS

CORPORATION COMMISSION

Kathleen Sebelius, Governor Brian J. Moline, Chair Robert E. Krehbiel, Commissioner Michael C. Moffet, Commissioner

NOTICE OF RECEIPT OF WELL PLUGGING APPLICATION (CP-1)

Smokey Valley Resources, Inc.
212 E. Sunderland - PO Box 199
Chase, KS 67521

January 12, 2005

Re: DIXON #3
API 15-145-20346-00-00
NWNWSW 17-20S-20W, 2310 FSL 330 FWL
PAWNEE COUNTY, KANSAS

Dear Operator:

This letter is to notify you that the Conservation Division is in receipt of your plugging proposal, form CP-1, for the above-captioned well.

Your CP-1 has been reviewed by the Conservation Division central office for completeness and to verify license numbers. The plugging proposal will now be forwarded to the district office listed below for review of your proposed method of plugging.

Please contact the district office for approval of your proposed plugging method at least five (5) days before plugging the well, pursuant to K.A.R. 82-3-113 (b). If a workover pit will be used during the plugging of the well it must be permitted. A CDP-1 form must be filed and approved prior to the use of the pit.

The Conservation Division's review of form CP-1, either in the central or district office, does not include an inquiry into well ownership or the filing operator's legal right to plug the well.

This notice in no way constitutes authorization to plug the above-captioned well by persons not having legal rights of ownership or interest in the well. This notice is void after ninety (90) days from the above date.

District: #1
210 E Frontview, Suite A
Dodge City, KS 67801
(620) 225-8888

Sincerely,


David P. Williams
Production Supervisor