

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 - 071-20714-0000 (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 10/1999

Well Operator: Horseshoe Operating, Inc. KCC License #: 4894
(Owner / Company Name) (Operator's)

Address: 110 W. Louisiana, Suite 200 City: Midland

State: Texas Zip Code: 79701 Contact Phone: (432) 683 - 1448

Lease: Cliff B Well #: 2-34 Sec. 34 Twp. 18 S. R. 40 East West

SW - NE Spot Location / QQQQ County: Greeley

1980 Feet (in exact footage) From North / South (from nearest outside section corner) Line of Section (Not Lease Line)

1980 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: 304 Cemented with: 155 Sacks

Production Casing Size: 4-1/2 Set at: 2972 Cemented with: 435 Sacks

List (ALL) Perforations and Bridgeplug Sets: 2884-2889 & 2909-2914

Elevation: 3577 (G.L. / K.B.) T.D.: 2980 P.B.T.D.: 2923 Anhydrite Depth: _____
(Stone Corral Formation)

Condition of Well: Good Poor Casing Leak Junk in Hole

Proposed Method of Plugging (attach a separate page if additional space is needed): Per KCC orders

RECEIVED

FEB 25 2005

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

KCC WICHITA

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: Dave Olson

Phone: (620) 376- 8190

Address: P. O. Box 175 City / State: Tribune, KS 67879

Plugging Contractor: Allied Cementing KCC License #: _____
(Company Name) (Contractor's)

Address: P. O. Box 31 Russell, Kansas Phone: ()

Proposed Date and Hour of Plugging (if known?): Week of April 4, 2005

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

Date: 3-30-05 Authorized Operator / Agent: Shirley B. Burns
(Signature)

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

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)

Horseshoe Operating, Inc.
110 W. Louisiana, Suite 200
Midland, TX 79701

April 26, 2005

Re: Clift B #2-34
API 15-071-20714-00-00
SWNE 34-18S-40W, 1980 FNL 1980 FEL
GREELEY 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.

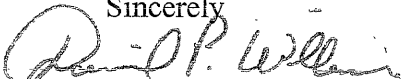
Your CP-1 has been reviewed by the Conservation Division central office for completeness and to verify license numbers. The plugging proposal will now be forwarded to the district office listed below for review of your proposed method of plugging.

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