

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 - 009-21443 - 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 _____

Well Operator: Mai Oil Operations, Inc. KCC License #: 5259
(Owner / Company Name) (Operator's)

Address: P.O. Box 33 City: Russell

State: Kansas Zip Code: 67665 Contact Phone: (785) 483 - 2169

Lease: Krug Well #: 1 Sec. 8 Twp. 16 S. R. 13 East West

C - N2 - NE Spot Location / QQQQ County: Barton

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

1320 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: 353' Cemented with: Unknown Sacks

Production Casing Size: 4 1/2" Set at: 3387 1/2' Cemented with: Unknown Sacks

List (ALL) Perforations and Bridgeplug Sets: Open hole 3387 1/2-3390'

Elevation: 1932 (G.L. / K.B.) T.D.: 3390' P.B.T.D.: 3390' Anhydrite Depth: 903'
(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): Plug open hole w/sand and cement, and rip casing, plug while pulling casing

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

If not explain why? No Records

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: Allen Bangert

Phone: (785) 483 - 2169

Address: P.O. Box 33 City / State: Russell, Ks. 67665

Plugging Contractor: Quality Well Service KCC License #: 31925
(Company Name) (Contractor's)

Address: 401 W. Main, Lyons, Ks. 67554 Phone: (620) 257 - 2719

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

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

Date: 11-11-05 Authorized Operator / Agent: Allen Bangert
(Signature)

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

RECEIVED

NO 1 2005

KCC WICHITA

6/04

8/06

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)

November 29, 2005

Mai Oil Operations, Inc.
4514 Cole Ave., STE 740, LB 30
Dallas, TX 75205

Re: KRUG #1
API 15-009-21443-00-00
N2NE 8-16S-13W, 660 FNL 1320 FEL
BARTON 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.

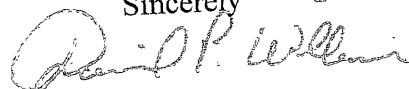
Your CP-1 has been reviewed by the Conservation Division central office for completeness and to verify license numbers. The plugging proposal will now be forwarded to the district office listed below for review of your proposed method of plugging.

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.

Sincerely



David P. Williams
Production Supervisor

District: #4
2301 E. 13th
Hays, KS 67601
(785) 625-0550