

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

RECEIVED

Form CP-1
September 2003

WELL PLUGGING APPLICATION MAY 30 2006

This Form must be Typed
Form must be Signed
All blanks must be Filled

Please TYPE Form and File ONE Copy

KCC WICHITA

API # 15 - 145-20284 -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 2-26-1973

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

Address: PO Box 209 City: Dexter

State: Kansas Zip Code: 67038 Contact Phone: (620) 894 - 0212

Lease: Dixon Well #: 2 Sec. 17 Twp. 20 S. R. 20 East West

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

1650 Feet (in exact footage) From North / South (from nearest outside section corner) Line of Section (Not Lease Line)

3630 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: 301 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 4360 open hole

Elevation: 2207 (G.L. / K.B.) T.D.: _____ PBTD: 4360 Anhydrite Depth: 1398
(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 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: PO Box 209 City / State: Dexter

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

Address: Chase, Ks. 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: 5-22-06 Authorized Operator / Agent: George Saling (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)

May 31, 2006

Smokey Valley Resources, Inc.
PO Box 209
Dexter, KS 67038

Re: DIXON #2
API 15-145-20284-00-00
SWNESW 17-20S-20W, 1650 FSL 1650 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.

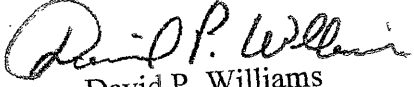
Your CP-1 has been reviewed by the Conservation Division central office for completeness and to verify license numbers. The plugging proposal will now be forwarded to the district office listed below for review of your proposed method of plugging.

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.

Sincerely


David P. Williams
Production Supervisor

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