TO:

STATE CORPORATION COMMISSION **CONSERVATION DIVISION - PLUGGING**

130 SOUTH MARKET, SUITE 2078 WICHITA, KANSAS 67202

Operator License No.: 9855

Plug Co. License No.: 33493

Well Type: DH

Op Name: GRAND MESA OPERATING COMPANY

Address: 200 E. 1ST STREET N. STE 307 FRMRS

WICHITA, KS 67202

UIC Docket No:

Plug Co. Name: AMERICAN EAGLE DRILLING LLC

Spot: NESWSW

County: NESS

String Size SURF 8.625

Lease Name: SIMPSON

Proposal Revd. from: DON ANDERSON Company: AMERICAN EAGLE DRILLING LLC Phone: (303) 722-2899

Proposed 1ST PLUG AT 1890' WITH 50 SX CMT. 2ND PLUG AT 1180' WITH 80 SX CMT. 3RD PLUG AT 600' WITH 40 SX Plugging CMT. 4TH PLUG AT 280' WITH 50 SX CMT. 5TH PLUG AT 60' WITH 20 SX CMT. 6TH PLUG TO CIRCULATE

Method: RAT HOLE WITH 15 SX CMT. NO MOUSE HOLE.

Plugging Proposal Received By: JERRY W. STAPLETON

Date/Time Plugging Completed: 06/30/2006 12:30 PM

WitnessType: PARTIAL

API Well Number: 15-135-24498-00-00

1250 feet from S Section Line,

229

Sec/Twnshp/Rge: 20-16S-23W

Date/Time to Plug: 06/17/2006 5:00 AM

Perfs:

Depth (ft) Pulled (ft) Comment

810 feet from W Section Line

Well #: 1-20

149.34

Total Vertical Depth: 4595 feet

WITH 200 SX CMT

KCC Agent: MICHAEL MAIER

Actual Plugging Report:

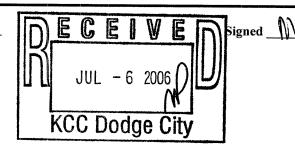
COMPANY FAILED TO PUMP CRITICAL PLUG AT 1180'. ALSO PIPE TALLY WAS OFF 600'. COMPANY REPORTED PLUGS WERE SET AT: 1ST PLUG AT 1890' WITH 50 SX CMT. 2ND PLUG AT 600' WITH 80 SX CMT. 3RD PLUG AT 280' WITH 60 SX CMT. 4TH PLUG AT 60' WITH 20 SX CMT. COMPANY WAS REOUIRED TO RE-ENTER HOLE FOR COMPLETION OF THE PLUG AT 1180'. DRILLED OUT OF HOLE AT 750'. PLUGGING ORDERS WERE GIVEN BY STEVE DURRANT AS FOLLOWS. 1ST PLUG AT 750' WITH 50 SX CMT. 2ND PLUG AT 240' WITH 40 SX CMT. 3RD PLUG AT 60-0' WITH 20 SX CMT. NOTE: RE-ENTRY FOUND CMT AT 165' TO 225' THEN AT 580' TO 720'. DRILLED OUT OF HOLE 30'. GOOD CHANCE THAT THERE WAS A PLUG AT 1200' BECAUSE PIPE TALLY BEING 600' MORE THAN ACTUAL.

RECEIVED KCC WICHITA

Remarks: USED 60/40 POZMIX 6% GEL 1/4# FLO SEAL BYALLIED.

Plugged through: TBG

District: 01



-(8-06

