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 - 125-30763-00-00 (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: Tandem Energy Corporation KCC License #: 33598 (Owner / Company Name) Address: P.O. Box 1559 ____ _{City:}_Midland State: TX Zip Code: 79702-1559 Contact Phone: (432) 686 - 7136 ext. 1102 Lease: Edds, South "27" Sec. 27 Two. 33 S. R. 14 Fast West _____ Well #:_ 1 County: Montgomery SW14 - SE14 Spot Location / QQQQ 660 Feet (in exact footage) From North / V South (from nearest outside section corner) Line of Section (Not Lease Line) 1980 ✓ East / Feet (in exact footage) From West (from nearest outside section corner) Line of Section (Not Lease Line) ✓ Gas Well Check One: Oil Well D&A Cathodic Water Supply Well SWD Docket # ENHR Docket # Other: ___ _____ Set at: _20' Conductor Casing Size: 8-5/8" 4 sx Class "A" Cemented with: Sacks Surface Casing Size:_ Sacks Production Casing Size: 4-1/2" 10.50# & 11.60# Set at: 1460' Cemented with: 150 sx Portland "A" Sacks List (ALL) Perforations and Bridgeplug Sets: Riverton: 1433'-34', Rowe: 1393'-95' Elevation:_880' __ _{PBTD:} 1458' (✓G.L./ ☐K.B.) T.D.: 1460' Anhydrite Depth: ??? Condition of Well: ✓ Good Poor Casing Leak Junk in Hole Spot plugs in cased hole at necessary intervals using 2-3/8" tbg. Proposed Method of Plugging (attach a separate page if additional space is needed): Is Well Log attached to this application as required? ✓ Yes No Is ACO-1 filed? 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: Toben Scott: VP-Operations Phone: (432.) 686 - 7136 ext. 1102 Address: P.O. Box 1559 City / State: Midland, TX 79702-1559 Plugging Contractor: W&W Production KCC License #: ??? 549 (Company Name) (Contractor's) Address: 1150 W. Hwy. 39 Chanute, KS 66720 Phone: (620) 431 Proposed Date and Hour of Plugging (if known?): 1st-2nd week of September, 2006

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

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

Authorized Operator / Agent: _ C

Date: 8/21/06

AUG 2 5 2006

RECEIVED

KCC WICHITA

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)

Tandem Energy Corporation P. O. Box 1559 Midland, TX 79702

August 28, 2006

Re: EDDS SOUTH #1

API 15-125-30763-00-00

SWSE 27-33S-14E, 660 FSL 1980 FEL MONTGOMERY 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: #3 1500 W. 7th Chanute, KS 67220 (620) 432-2300