

TO: STATE CORPORATION COMMISSION  
CONSERVATION DIVISION - PLUGGING  
130 SOUTH MARKET, SUITE 2078  
WICHITA, KANSAS 67202

API Well Number: 15-003-24240-00-00  
Spot: SESW Sec/Twnshp/Rge: 23-19S-19E  
660 feet from S Section Line, 1700 feet from W Section Line  
Lease Name: PEINE TRUST Well #: 23-24  
County: ANDERSON Total Vertical Depth: 1235 feet

Operator License No.: 33138  
Op Name: MERITAGE KCM EXPLORATION, LLC  
Address: INDEPENDENCE PLAZA 1050 17TH ST  
DENVER, CO 80265

String	Size	Depth (ft)	Pulled (ft)	Comment
PROD	5.5	1221		165 SX CMT
SURF	8.625	22		4 SX CMT

 \$ 40.14

Well Type: GAS UIC Docket No: \_\_\_\_\_ Date/Time to Plug: 05/30/2006 8:00 AM  
Plug Co. License No.: 31440 Plug Co. Name: CONSOLIDATED OIL WELL SERVICES, INC  
Proposal Rcvd. from: LARRY BRYANT Company: \_\_\_\_\_ Phone: (970) 301-1411

Proposed Plugging Method: PUMP 60/40 CLASS A/POZIMIX CEMENT WITH 0.5 SACK COTTON SEED HULLS FROM PBTD TO 900'; SPOT 9.5 PPG BENTONITE MUD FROM 900' TO 150'; SPOT 60/40 CLASS A/POZIMIX CEMENT FROM 150' TO 4' BELOW GROUND LEVEL; CUT CASING AND WELD STEEL PLATE 4' BELOW GROUND LEVEL; GRADE SURFACE LEVEL.

Plugging Proposal Received By: DAVID P. WILLIAMS WitnessType: NONE  
Date/Time Plugging Completed: 05/30/2006 12:00 AM KCC Agent: FRANK GUILFOYLE

Actual Plugging Report:

SQUEEZE PLUG WELL. PUMP 119 SACKS OF 60/40 POZ MIX INTO CASING.  
PUMPING INTO FORMATION AT 200 PSI. SHUT IN WELL.

Perfs:

Top	Bot	Thru	Comments
1154	1156		
1143	1145		
1135	1137		
1129	1132		
1122	1125		

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KCC DISTRICT #3

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CHANUTE, KS

Remarks: OPERATER PLUGGED WELL.

Plugged through: CSG

INVOICED  
DATE 12-4-06  
INV. NO. 2007060901

District: 03

Signed Frank Guilfoyle  
(TECHNICIAN)

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NOV 27 2006  
KCC WICHITA

PKT