

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 # 15-159-02280-00-00 (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 1949.

Well Operator: Mike Kelso Oil, Inc. KCC License #: 31528
(Owner / Company Name) (Operator's)

Address: P.O. Box 467 City: Chase

State: Kansas Zip Code: 67524 Contact Phone: (620) 938-2943

Lease: Wallace Well #: 3 Sec. 32 Twp. 19 S. R. 9 East West

NE SE NE Spot Location / QQQQ County: Rice

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

330 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: 238' Cemented with: _____ Sacks

Production Casing Size: 5-1/2" Set at: 3214' Cemented with: _____ Sacks

List (ALL) Perforations and Bridgeplug Sets: _____

Elevation: _____ (G.L. / K.B.) T.D.: 3224' PBTD: _____ Anhydrite Depth: _____
(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): _____

According to the rules & regulations of the State Of Kansas

RECEIVED
KANSAS CORPORATION COMMISSION

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

JUN 21 2007

If not explain why? Unavailable

CONSERVATION DIVISION
WICHITA, KS

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: _____

Mike Kelso Phone: (620) 562-8088 (Cell)

Address: P.O. Box 467 City / State: Chase, Kansas 67524

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

Address: P.O. Box 467 Chase, Ks. 67524 Phone: (620) 938-2943

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

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

Date: 6-20-07 Authorized Operator / Agent: _____
(Signature)

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



CORPORATION COMMISSION

Kathleen Sebelius, Governor Thomas E. Wright, Chairman Robert E. Krehbiel, Commissioner Michael C. Moffet, Commissioner

NOTICE OF RECEIPT OF WELL PLUGGING APPLICATION (CP-1)

KELSO, MIKE OIL, INC.
PO BOX 467
CHASE, KS 67524-0467

June 26, 2007

Re: WALLACE #3
API 15-159-02280-00-00
32-19S-9W, 1650 FNL 330 FEL
RICE COUNTY, KANSAS

Dear Operator:

This letter is to notify you that the Conservation Division has received your plugging proposal, form CP-1, for the above well and has reviewed the proposal for completeness. The central office will now forward your CP-1 to the district office listed below for review of the proposed plugging method. **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 in accordance with K.A.R. 82-3-600.**

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 well by persons not having legal rights of ownership or interest in the well. **This notice is void after 180 days from its date. The CP-1 filing does not bring the above well into compliance with K.A.R. 82-3-111 with regard to the Commission's temporary abandonment requirements.**

Sincerely

Steve Bond
Production Department Supervisor

District: #2
3450 N. Rock Road, Suite 601
Wichita, KS 67226
(316) 630-4000