

Notice: Fill out COMPLETELY and return to Conservation Division at the address below within 60 days from plugging date.

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL PLUGGING RECORD
K.A.R. 82-3-117**

Form CP-4
December 2003
**Type or Print on this Form
Form must be Signed
All blanks must be Filled**

Lease Operator: FIML Natural Resources, LLC
 Address: 410 17th Street Ste. 900
 Phone: (303) 893-5090 Operator License #: 33476
 Type of Well: D&A Gas KCC PRT 7/18/07 per CP-13 Docket #: _____
 (Oil, Gas D&A, SWD, ENHR, Water Supply Well, Cathodic, Other) (if SWD or ENHR)
 The plugging proposal was approved on: 5/25/2007 (Date)
 by: Ken Kehlik (KCC District Agent's Name)
 Is ACO-1 filed? Yes No If not, is well log attached? Yes No
 Producing Formation(s): List All (If needed attach another sheet)
Krider Depth to Top: 2764' Bottom: 2768' T.D. _____
Krider Depth to Top: 2775' Bottom: 2777' T.D. _____
 _____ Depth to Top: _____ Bottom: _____ T.D. _____

API Number: 15 - 17120058 - 00 - 00
 Lease Name: H.L. Blake KCC PRT per CP-13
 Well Number: 1-7
 Spot Location (QQQQ): SE - SE - NW - NW
1280 Feet from North / South Section Line 4022
1280 Feet from East / West Section Line 3861
 Sec. 7 Twp. 19 S. R. 31 East West
 County: Scott
 Date Well Completed: 9/1/1973
 Plugging Commenced: 5/25/2007
 Plugging Completed: 5/25/2007

Show depth and thickness of all water, oil and gas formations.

Oil, Gas or Water Records		Casing Record (Surface Conductor & Production)				
Formation	Content	From	To	Size	Put In	Pulled Out
Krider	Gas	Surface	348'	8-5/8" 28#	16 jts	0 jts
			2849'	5-1/2"	93 jts	0 jts

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Describe in detail the manner in which the well is plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same depth placed from (bottom), to (top) for each plug set.
 TIH open ended to 2597' KB. RU Allied cementing. Mix and spot 50 sacks 60/40 poz cement at 2597'. TOH. RU Perf-Tech. Perf 4 shots from 1600 - 1601'. Set 5-1/2" cement retainer at 1550'. TIH with stinger. Sting into retainer. Mix 65 sacks 60/40 poz down tubing, sting out of retainer, mix 60 sacks 60/40 poz, pull tubing to 750' and mix 65 sacks 60/40 poz and circulate to surface. TOH with stinger. Hook up to 8-5/8" annulus, pumped 30 sacks 60/40 poz, shut in with 250# psi.
 Cap 5-1/2" casing with 10 sacks cement. Plugging complete at 15:00 hours on 5/25/2007. Ken Jehlik with KCC on location.

Name of Plugging Contractor: Allied Cementing Company License #: 115725 99996
 Address: P.O. Box 31 Russell, KS

Name of Party Responsible for Plugging Fees: FIML Natural Resources, LLC
 State of Colorado County, Denver, ss.

Cassandra Parks (Employee of Operator) or (Operator) on above-described well, being first duly sworn on oath, says: That I have knowledge of the facts statements, and matters herein contained, and the log of the above-described well is as filed, and the same are true and correct, so help me God.

(Signature) [Signature]
 (Address) 410 17th Street Ste. 900 Denver, CO. 80202

SUBSCRIBED and SWORN TO before me this 17 day of July, 2007
Glenn Winick My Commission Expires: 5-5-2009
 Notary Public

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

[Handwritten Signature]

JUN 04 2007

Allied Cementing Co., LLC
24 S. Lincoln
P.O. Box 31
Russell, KS 67665

* I N V O I C E *

Invoice Number: 108955

Invoice Date: 05/30/07

Sold FIML Natural Resources
To: LLC
410 17th St., #900
Denver, CO
80202

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Cust I.D.: FIML
P.O. Number: H.L. Blake 1-7
P.O. Date: 05/30/07

Due Date.: 06/29/07
Terms....: Net 30

Salesperson..:

Item I.D./Desc.	Ordered	Unit	Price	Net	TX
Common	168.00	SKS	12.6000	2116.80	T
Pozmix	112.00	SKS	6.4000	716.80	T
Gel	15.00	SKS	16.6500	249.75	T
Handling	473.00	SKS	1.9000	898.70	T
Mileage	57.00	MILE	42.5700	2426.49	T
473 sk s@.09 per sk per mi					
Plug	1.00	JOB	955.0000	955.00	T
Mileage pmp trk	57.00	MILE	6.0000	342.00	T

All Prices Are Net, Payable 30 Days Following
Date of Invoice. 1 1/2% Charged Thereafter.
If Account CURRENT take Discount of 770.55
ONLY if paid within 30 days from Invoice Date

Subtotal: 7705.54
Tax..... 485.45
Payments: 0.00
Total.... 8190.99
- 770.55
7420.44

E. Johnson

~~8000~~
8350-130

707083

ALLIED CEMENTING CO., INC.

28557

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:
OAKLEY

DATE <u>5-25-07</u>	SEC. <u>7</u>	TWP. <u>19S</u>	RANGE <u>31W</u>	CALLED OUT	ON LOCATION <u>9:00 AM</u>	JOB START <u>2:00 PM</u>	JOB FINISH <u>3:00 PM</u>
LEASEE <u>H.L. BLAKE</u>		WELL # <u>1-7</u>	LOCATION <u>SCOTT CITY 6E-4 1/2 - E IN</u>		COUNTY <u>SCOTT</u>	STATE <u>Ks</u>	
<input checked="" type="radio"/> OLD OR NEW (Circle one)							

CONTRACTOR CHEYENNE WELL SERVICE

TYPE OF JOB OLD HOLE

HOLE SIZE _____ T.D. _____

CASING SIZE 5 1/2" DEPTH _____

TUBING SIZE 2 3/8" DEPTH 2597'

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. _____

PERFS. _____

DISPLACEMENT _____

EQUIPMENT

PUMP TRUCK CEMENTER TERRY

422 HELPER ANDREW

BULK TRUCK

394 DRIVER DARREN

BULK TRUCK

_____ DRIVER _____

REMARKS:

MIX 50 SKS CEMENT DOWN 2 3/8" TUBING AT 2597' PERF AT 1600' RUN RETAINER TO 1550' MIX 65 SKS CEMENT. STING OUT OF RETAINER. MIX 60 SKS CEMENT. Pull TUBING TO 750' MIX 65 SKS CEMENT CIRCULATE TO SURFACE. Hook' ON TO 8 3/8" CASING MIX 30 SKS CEMENT. PRESSURE TO 500 PSI. SHUT IN AT 250 PSI. TOP OFF 5/8" CASING WITH 10SK CEMENT THANK YOU

CHARGE TO: FIML

STREET _____

CITY _____ STATE _____ ZIP _____

To Allied Cementing Co., Inc.
You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

SIGNATURE E. J. Blumson

OWNER SAME

CEMENT

AMOUNT ORDERED 450 SKS 60/40 POZ 6% 6E1

Used 280 SKS 60/40 POZ 6% 6E1

COMMON	<u>168 SKS</u>	@	<u>12.60</u>	<u>2116.80</u>
POZMIX	<u>112 SKS</u>	@	<u>6.40</u>	<u>716.80</u>
GEL	<u>15 SKS</u>	@	<u>16.65</u>	<u>249.75</u>
CHLORIDE		@		
ASC		@		
HANDLING	<u>473 SKS</u>	@	<u>1.90</u>	<u>898.70</u>
MILEAGE	<u>94 PER SK/MI</u>			<u>2426.40</u>
TOTAL				<u>6408.55</u>

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SERVICE

DEPTH OF JOB 2597'

PUMP TRUCK CHARGE 955.00

EXTRA FOOTAGE _____ @ _____

MILEAGE 57 MI @ 6.00 342.00

MANIFOLD _____ @ _____

TOTAL 1297.00

PLUG & FLOAT EQUIPMENT

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

TOTAL _____

TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

PRINTED NAME

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "Allied" shall mean Allied Cementing Co., Inc., and "Customer" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "merchandise" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

—**TERMS:** Unless satisfactory credit has been established, "CUSTOMER" must tender full cash payment to "ALLIED" before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, "CUSTOMER" agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwithstanding the foregoing, in no event shall this Contract provide for interest exceeding the maximum rate of interest that "CUSTOMER" may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate, any amounts previously paid as excess interest shall be deducted from the amounts owing from the "CUSTOMER" or at the option of "ALLIED," refunded directly to "CUSTOMER." For purposes of this paragraph, ALLIED and CUSTOMER agree that KANSAS law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.

—**ATTORNEY FEES:** In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the terms of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limited to, a reasonable sum as and for attorney's fees.

—**PRICES AND TAXES:** All merchandise listed in "ALLIED'S" current price schedule are F.O.B. ALLIED'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by ALLIED shall be added to the quoted prices charged to CUSTOMER.

—**TOWING CHARGES:** ALLIED will make a reasonable attempt to get to and from each job site using its own equipment. Should ALLIED be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ a tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by ALLIED, will be charged to and paid by CUSTOMER.

—**PREPARATION CHARGES:** If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay ALLIED for the expenses incurred by ALLIED as a result of the cancellation.

—**DEADHAUL, CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charge as set forth in ALLIED'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.

—**SERVICE CONDITIONS AND LIABILITIES:** 1. ALLIED carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond ALLIED'S control, ALLIED shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. Customer shall be responsible for and indemnify, defend, and hold harmless ALLIED, its officers, agents and employees, from and against any and all claims or suits for:

(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with ALLIED'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of ALLIED or its employees.

2. With respect to any of ALLIED'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to ALLIED at the landing, CUSTOMER shall either recover the lost item without cost to ALLIED or reimburse ALLIED the current replacement cost of the item unless the loss or damage results from the sole negligence of ALLIED or its employees.

3. ALLIED does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

WARRANTIES: 1. ALLIED warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. ALLIED'S obligation under this warranty is expressly limited to repair, replacement, or allowance for credit, at its option, for any merchandise which is determined by ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and ALLIED shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.

2. More specifically:

(A) Nothing in this contract shall be construed as a warranty by ALLIED of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.

(B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the wilful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.

(C) Work done by ALLIED shall be under the direct supervision and control of the CUSTOMER or his agent and ALLIED will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.