

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: Gilbert-Stewart Operating, LLC

Address: 1801 Broadway #450, Denver, CO 80202

Phone: (303) 534-1686 Operator License #: 32924

Type of Well: Oil D & A Docket #: (Oil, Gas D&A, SWD, ENHR, Water Supply Well, Cathodic, Other) (If SWD or ENHR)

The plugging proposal was approved on: 07-24-07 (Date)

by: Duane Krueger (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)

Depth to Top: Bottom: T.D. (repeated three times)

API Number: 15 - 159-22544-00-00

Lease Name: Tip

Well Number: 1

Spot Location (QQQQ): C - NE - SW - SE 930 Feet from North / South Section Line

1360 Feet from East / West Section Line

Sec. 24 Twp. 20 S. R. 9 East West

County: Rice

Date Well Completed: D & A

Plugging Commenced: 07-31-07

Plugging Completed: 07-31-07

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

Table with columns: Oil, Gas or Water Records (Formation, Content) and Casing Record (Surface Conductor & Production) (From, To, Size, Put In, Pulled Out). Row 1: *see attached drilling report, 0' to 371', 8 5/8" new 24#, 357.95', 0'.

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.

Plug well with 190 sacks of 60/40 Poz, 4% gel. 1st plug @ 3515' with 35 sacks. 2nd plug @ 1100' with 35 sacks. 3rd plug @ 700' with 35 sacks. 4th plug @ 425' with 35 sacks. 5th plug @ 60' with 25 sacks to surface. Plug mouse hole with 10 sacks. Plug rat hole with 15 sacks. Job complete @ 9:30 pm on 07-31-07 by Basic Energy (tk #16405)

Name of Plugging Contractor: Southwind Drilling, Inc. License #: 33350 Address: PO Box 276, Ellinwood, KS 67526

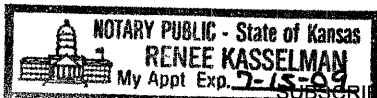
RECEIVED KANSAS CORPORATION COMMISSION AUG 02 2007 CONSERVATION DIVISION WICHITA, KS

Name of Party Responsible for Plugging Fees: Gilbert-Stewart Operating, LLC State of Kansas County, Barton, ss.

Todd E. Morgenstern, VP/OP of Southwind Drilling, Inc. (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) Todd E. Morgenstern

(Address) PO Box 276, Ellinwood, KS 67526



Subscribed and SWORN TO before me this 1 day of August, 20 07. Renee Kasselmann, Notary Public, My Commission Expires: 7-15-09

Handwritten initials 'PK'

**SOUTHWIND DRILLING, INC.
PLUGGING ORDERS AND REPORTS**

Lease: TIP #1

Plugging received from KCC representative:

Name: DEWAYNE KRUEGER Date 1:00 P.M Time 7-24-07

1st plug @ 3515 ft. 35 sx. Stands: 57

2nd plug @ 1100 ft. 35 sx. Stands: 18

3rd plug @ 700 ft. 35 sx. Stands: 11

4th plug @ 425 ft. 35 sx. Stands: 7

5th plug @ 60 ft. 25 sx. Stands: 1

Mousehole 10 sx.

Rahole 15 sx.

Total Cement used: 190 sx.

Type of cement 60/40 Poz, 4% gfl

Plug down @ 9:30 P.M, 7-31-07 By BOSEC ENERGY, TEL # 16405

Call KCC When Completed:

Name: MIKE WILSON Date 8-1-07 Time 8:15 am

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FIELD ORDER 16405

Subject to Correction

Date 7-31-07	Customer ID	Lease Tip	Well # 1	Legal 24-205-9W
Gilbert-Stewart Operating, LLC.		County Rice	State KS.	Station Pratt
C H A R G E	Depth	Formation	Shoe Joint	
	Casing 4 1/2" Drill Pipe	Casing Depth	TD	Job Type C.W.W.-P.T.A.
	Customer Representative Le Wayne Tresner	Treater Clarence R. Messick		

AFE Number _____ PO Number _____
 Materials Received by **X [Signature]**

Station Code	Product Code	QUANTITY	MATERIALS, EQUIPMENT, and SERVICES USED	UNIT PRICE	AMOUNT
P	D203	190sk	60/40 Poz		\$ 2,034.90
P	C320	328Lb	Cement Gel		\$ 82.00
P	E100	150mi	Heavy Vehicle Mileage, 1-Way		\$ 750.00
P	E101	75mi	Pickup Mileage, 1-Way		\$ 225.00
P	E104	615tm	Bulk Delivery		\$ 984.00
P	E107	190sk	Cement Service Charge		\$ 285.00
P	E891	1ea	Service Supervisor		\$ 150.00
P	R208	1ea	Cement Pumper : 3,501Ft. To 4,000ft.		\$ 1,680.00
			Discounted Price =		\$ 5,571.81
			Plus taxes		

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10244 NE Hiway 61 • P.O. Box 8613 • Pratt, KS 67124-8613 • (620) 672-1201 • Fax (620) 672-5383

TOTAL

Customer Gilbert-Stewart Operating, LLC.	Lease No. Lease Tip	Well # 1	Date 7-31-07
Field Order # 16705	Station Pratt	Casing 1 1/2" X-Hole Drill Pipe	Depth Drill Pipe
Type Job C.N.W. - Plug To Abandon	Formation	County Rice	State KS.
Legal Description 24-205-9W			

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME		
Casing Size	Tubing Size	Shots/Bt		Acid	190 sacks	RATE	PRESS	ISIP
Depth	Depth	From	To	Rate	13.8 lb./Gal.	60 / 100	6.90 Gal./sk.	4% Gel
Volume	Volume	From	To	Rate		Min		5 Min.
Max Press	Max Press	From	To	Rate		Avg		15 Min.
Well Connection	Annulus Vol.	From	To			HHP Used		Annulus Pressure
Plug Depth	Packer Depth	From	To	Flush	Drilling Mud and Fresh Water	Gas Volume		Total Load

Customer Representative Wayne Tresner	Station Manager David Scott	Treater Clarence R. Messick
Service Units 19,341		
Driver Names Melson		

Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
4:30					Trucks on location and hold safety meeting.
6:25		300		6	1st Plug 3,515 Feet - 35 sacks
		300	20	5	Start Fresh Water Pre-Flush.
		250	28	5	Start Mixing cement.
		200	38	5	Start Fresh Water Flush.
6:40		-0-	70		Start Drilling mud Flush.
					Stop Pumping.
					2nd Plug 1,100 Feet - 35 sacks
8:17		300		5	Start Fresh Water Pre-Flush.
		300	10	5	Start Mixing cement.
		200	18	5	Start Drilling mud Displacement.
8:25		-0-	29		Stop pumping.
					3rd Plug 700 Feet - 35 sacks
8:40		200		5	Start Fresh Water Pre-Flush.
		200	10	5	Start Mixing cement.
		150	18	5	Start Fresh Water Displacement.
8:46		-0-	23		Stop pumping.
					4th Plug 425 Feet - 35 sacks
8:56		150		5	Start Mixing cement
		150	8	5	Start Fresh Water Displacement.
8:59		-0-	9		Stop pumping.
					5th Plug 60 Feet - 25 sacks

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SOUTHWIND DRILLING, INC.

RIG #2

PO Box 276, Ellinwood, KS 67526
Office Phone 620-564-3800, Fax 620-564-3845

DRILLING REPORT

Tip #1

Location: 930' FSL & 1360' FEL
API#: 15-159-22544-00-00

Section 24-20S-9W
Rice County, Kansas

OWNER: _____ : Gilbert-Stewart Operating, LLC

COMMENCED: 07-24-07

CONTRACTOR: Southwind Drilling, Inc. Rig #2

COMPLETED: 07-31-07

TOTAL DEPTH: Driller: 3567'
Logger: 3565'

Ground Elevation: 1670'
KB Elevation: 1679'

LOG:

0'	-	256'	Redbed
256'	-	270'	Anhydrite
270'	-	1053'	Redbed
1053'	-	1975'	Shale
1975'	-	3567'	Lime/Shale
		3567'	RTD

CASING RECORDS

Surface casing – 8 5/8"

Ran 8 joints of 24# new 8 5/8" surface casing. Tally @ 357.95'. Set @ 371'. Cement with 290 sacks of 60/40 Poz, 2% gel, 3% calcium chloride. Plug down @ 3:00 am on 07-25-07 by Allied Cementing (tk #30315).

Production casing – 5 1/2"

None – plugged the well

DEVIATION SURVEYS

1 1/4 degree (s)	@	375'
1 degree (s)	@	3295'
3/4 degree (s)	@	3567'

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MORNING DRILLING REPORT				Email to: Kent Gilbert & Scott Stewart				
Southwind Drilling, Inc. PO Box 276 8 North Main Ellinwood, KS 67526 620-564-3800			Wellsite Geologist: Kim Shoemaker 316-250-2013 316-772-2939 620-792-2921		WELL NAME		Tip #1	
					LOCATION		930' FSL & 1360' FEL Sec. 24-20S-9W Rice Co., KS	
Rig #2 Phone Numbers				Gilbert-Stewart Operating, LLC 1801 Broadway, Suite 450 Denver, CO 80202 303-534-1686				
620-617-5921	Rig Cellular (Dog house)	Yes			ELEVATION	G.L. 1670'	K.B. 1679'	API# 15-159-22544-00-00
620-617-5920	Geologist Trailer Cellular	No						
620-450-7682	Tool Pusher Cellular	Yes	LeWayne Tresner					

Driving Directions: From Chase (Hwy. 56 & Blacktop): 4 miles South, 5 miles East, 1 ¼ mile North, West into.

Day 1 Date 07-24-07 Tuesday Survey @ **375' = 1 ¼ degree**

Moved Rig #2 on location

Spud @ 7:00 pm

Ran 4.00 hours drilling (.75 rat hole, 3.25 drill 12 ¼"). Down 20.00 hours (11.25 move/rig up, .50 circulate, .50 trip, .25 survey, 1.75 run casing/cement, 4.00 wait on cement, 1.75 connection)

Mud properties: spud mud

Daily Mud Cost = \$246.05. Mud Cost to Date = \$246.05

Wt. on bit: all, 120 RPM, 500# pump pressure

12 ¼" bit #1 (in @ 0' out @ 375') = 3.25 hrs. - 375'

1" fuel = 34.50 gals.

Fuel usage: 103.50 gals (41" used 3") Start @ 44"

Ran 8 joints of 24# new 8 5/8" surface casing. Tally @ 357.95'. Set @ 371'. Cement with 290 sacks of 60/40 Poz, 2% gel, 3% calcium chloride. Plug down @ 3:00 am on 07-25-07 by Allied Cementing (tk #30315).

Day 2 Date 07-25-07 Wednesday Anhydrite (256'-270')

7:00 am - Waiting on cement @ 375'

Ran 15.75 hours drilling. Down 8.25 hours (4.00 wait on cement, .50 drill plug, .50 rig check, 2.00 connection, .75 jet, .50 rig repair)

Mud properties: wt. 9.5, vis. 28

Daily Mud Cost = \$0.00. Mud Cost to Date = \$246.05

Wt. on bit: 20,000, 80 RPM, 725# pump pressure

12 ¼" bit #1 (in @ 0' out @ 375') = 3.25 hrs. - 375'

7 7/8" bit #1 (in @ 375') = 15.75 hrs. - 975'

Fuel usage: 207.00 gals (35" used 6")

Day 3 Date 07-26-07 Thursday

7:00 am - Drilling @ 1350'

Ran 20.75 hours drilling. Down 3.25 hours (.75 rig check, 1.50 connection, 1.00 jet)

Mud properties: wt. 9.6, vis. 29

Daily Mud Cost = \$3,287.39. Mud Cost to Date = \$3,533.44

Wt. on bit: 25,000, 80 RPM, 800# pump pressure

12 ¼" bit #1 (in @ 0' out @ 375') = 3.25 hrs. - 375'

7 7/8" bit #1 (in @ 375') = 36.50 hrs. - 1866'

Fuel usage: 448.50 gals (79" used 13") 35" + 57" delivered = 92"

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MORNING DRILLING REPORT				Email to: Kent Gilbert & Scott Stewart			
Southwind Drilling, Inc. PO Box 276 8 North Main Ellinwood, KS 67526 620-564-3800			Wellsite Geologist: Kim Shoemaker 316-250-2013 316-772-2939 620-792-2921	WELL NAME		Tip #1	
				LOCATION		930' FSL & 1360' FEL Sec. 24-20S-9W Rice Co., KS	
Rig #2 Phone Numbers				Gilbert-Stewart Operating, LLC 1801 Broadway, Suite 450 Denver, CO 80202 303-534-1686			
620-617-5921	Rig Cellular (Dog house)	Yes					
620-617-5920	Geologist Trailer Cellular	No					
620-450-7682	Tool Pusher Cellular	Yes	LeWayne Tresner	ELEVATION	G.L. 1670'	K.B. 1679'	API# 15-159-22544-00-00

Driving Directions: From Chase (Hwy. 56 & Blacktop): 4 miles South, 5 miles East, 1 ¼ mile North, West into.

Day 4 Date 07-27-07 Friday

7:00 am – Drilling @ 2241'

Ran 21.00 hours drilling. Down 3.00 hours (.75 rig check, 1.25 connection, .75 displace @ 2366', .25 jet)

Mud properties: wt. 9.3, vis. 48, wl. 8.4

Daily Mud Cost = \$2,691.59. Mud Cost to Date = \$6,225.03

Wt. on bit: 30,000, 80 RPM, 775# pump pressure

12 ¼" bit #1 (in @ 0' out @ 375') = 3.25 hrs. - 375'

7 7/8" bit #1 (in @ 375') = 57.50 hrs. - 2605'

Fuel usage: 345.00 gals (69" used 10")

Day 5 Date 07-28-07 Saturday Survey @ 3295' = 1 degree
Pipe strap = 4.14 short to the board

7:00 am – Drilling @ 2980'

Ran 14.25 hours drilling. Down 9.75 hours (.50 rig check, .50 connection, .25 jet, 1.25 CFS @ 3295', 1.50 CTCH, 4.25 trip, .25 survey, .50 wait on tester, .75 DST #1)

Mud properties: wt. 9.2, vis. 52, wl. 8.4

Daily Mud Cost = \$1,220.33. Mud Cost to Date = \$7,445.36

Wt. on bit: 30,000, 80 RPM, 800# pump pressure

12 ¼" bit #1 (in @ 0' out @ 375') = 3.25 hrs. - 375'

7 7/8" bit #1 (in @ 375') = 71.75 hrs. - 2920'

Fuel usage: 345.00 gals (59" used 10")

Day 6 Date 07-29-07 Sunday DST #1 (3246'-3295')
Kinderhook formation
Recovered 20' mud

7:00 am – On bottom with DST #1 @ 3295'

Ran 9.00 hours drilling. Down 15.00 hours (3.25 DST #1, 4.50 trip, 1.25 CTCH, .50 rig check, .25 connection, 1.50 CFS @ 3315', 1.00 CFS @ 3330', 2.50 CFS @ 3470', .25 jet)

Mud properties: wt. 9.2, vis. 48, wl. 9.2

Daily Mud Cost = \$259.61. Mud Cost to Date = \$7,704.97

Wt. on bit: 30,000, 80 RPM, 825# pump pressure

12 ¼" bit #1 (in @ 0' out @ 375') = 3.25 hrs. - 375'

7 7/8" bit #1 (in @ 375') = 80.75 hrs. - 3095'

Fuel usage: 310.50 gals (50" used 9")

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Southwind Drilling, Inc. PO Box 276 8 North Main Ellinwood, KS 67526 620-564-3800			Wellsite Geologist: Kim Shoemaker 316-250-2013 316-772-2939 620-792-2921	WELL NAME		Tip #1	
				LOCATION		930' FSL & 1360' FEL Sec. 24-20S-9W Rice Co., KS	
Rig #2 Phone Numbers				Gilbert-Stewart Operating, LLC 1801 Broadway, Suite 450 Denver, CO 80202 303-534-1686			
620-617-5921	Rig Cellular (Dog house)	Yes		ELEVATION		G.L. 1670'	K.B. 1679'
620-617-5920	Geologist Trailer Cellular	No		API# 15-159-22544-00-00			
620-450-7682	Tool Pusher Cellular	Yes	LeWayne Tresner				

Driving Directions: From Chase (Hwy. 56 & Blacktop): 4 miles South, 5 miles East, 1 ¼ mile North, West into.

Day	7	Date	07-30-07	Monday	DST #2 (3440'-3470')
					Simpson Sand formation
					Recovered 110' mud
					Survey @ 3567' = ¾ degree

7:00 am – Tripping out with bit for DST #2 @ 3470'
Ran 4.00 hours drilling. Down 20.00 hours (6.75 trip, 4.75 DST #2, 1.50 CTCH, .25 rig check, 2.50 rig repair, 1.50 CFS @ 3523', 1.00 CFS @ 3533', 1.50 CFS @ 3567', .25 survey)
Mud properties: wt. 9.1, vis. 64, wl. 8.4
Daily Mud Cost = \$2,979.78. **Total Mud Cost = \$9,177.66**
Wt. on bit: 30,000, 80 RPM, 800# pump pressure
12 ¼" bit #1 (in @ 0' out @ 375') = 3.25 hrs. - 375'
7 7/8" bit #1 (in @ 375' out @ 3567') = 84.75 hrs. - 3192'
Fuel usage: 241.50 gals (43" used 7")

Day	8	Date	07-31-07	Tuesday
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RTD = 3567'
LTD = 3565'
7:00 am – Tripping out with bit for log @ 3567'
Ran 0.00 hours drilling. Down 16.00 hours (.25 trip, 6.50 log, 1.25 lay down pipe, 6.50 plug, 1.50 tear down)
Fuel usage: 172.50 gals (38" used 5")
Plug well with 190 sacks of 60/40 Poz, 4% gel.
1st plug @ 3515' with 35 sacks. 2nd plug @ 1100' with 25 sacks. 3rd plug @ 700' with 35 sacks.
4th plug @ 425' with 35 sacks. 5th plug @ 60' with 25 sacks to surface. Plug mouse hole with 10 sacks.
Plug rat hole with 15 sacks. Job complete @ 9:30 pm on 07-31-07 by Basic Energy (tk # 16405).

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