

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 - 167-23474-00-00 (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 11-20-2007

Well Operator: PROSPECT OIL & GAS INC KCC License #: 6627
(Owner / Company Name) (Operator's)

Address: P.O. BOX 837 City: RUSSELL

State: KS Zip Code: 67665 Contact Phone: (785) 483 - 6266

Lease: HOUGH-MUDD Well #: 1 Sec. 21 Twp. 14 S. R. 15 East West

SE - SW - SE Spot Location / QQQQ County: RUSSELL

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

1910 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: 221 Cemented with: 160 3% CC 2% GEL Sacks

Production Casing Size: 4 1/2 Set at: 3318 Cemented with: 150 10% SALT 5% GILSONITE Sacks

List (ALL) Perforations and Bridgeplug Sets: 3093, 3082

Elevation: 1784 (G.L. / K.B.) T.D.: 3325 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): PER HAYS DISTRICT REGULATIONS WILL PULL PIPE

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

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: RICH MCINTYRE RECEIVED
KANSAS CORPORATION COMMISSION

Address: 190 TH US 56 HWY City / State: ELLINWOOD KS Phone: (620) 727 - 3410 **MAR 03 2008**

Plugging Contractor: QUALITY WELL SERVICE KCC License #: 31925 CONSERVATION DIVISION
(Company Name) (Contractor's) WICHITA, KS

Address: 190 TH US 56 HWY Phone: (620) 727 - 3410

Proposed Date and Hour of Plugging (if known?): MARCH-MAY 2008

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

Date: 2-28-08 Authorized Operator / Agent: Richard McIntyre QWS PRES
(Signature)

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

KANSAS

CORPORATION COMMISSION

Kathleen Sebelius, Governor Thomas E. Wright, Chairman Michael C. Moffet, Commissioner Joseph F. Harkins, Commissioner

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

PROSPECT OIL & GAS CORP
PO BOX 837
RUSSELL, KS 67665-0837

March 14, 2008

Re: HOUGH-MUDD #1
API 15-167-23474-00-00
21-14S-15W, 175 FSL 1910 FEL
RUSSELL COUNTY, KANSAS

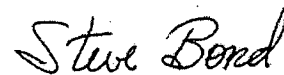
Dear Operator:

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 September 10, 2008. 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: #4
2301 E. 13th
Hays, KS 67601
(785) 625-0550