

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: H & M Petroleum Corporation
Address: 731 N. Weber St. Suite 200 - Colorado Springs, Colorado 80903
Phone: (719) 590-6060 Operator License #: 34055
Type of Well: D & A Docket #: _____
(Oil, Gas D&A, SWD, ENHR, Water Supply Well, Cathodic, Other) *(If SWD or ENHR)*
The plugging proposal was approved on: 1/25/2008 (Date)
by: Bruce Bayse (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. _____

Depth to Top: _____ Bottom: _____ T.D. _____

Depth to Top: _____ Bottom: _____ T.D. _____

API Number: 15 - 065-23397-00-00
Lease Name: Penland
Well Number: 3
Spot Location (QQQQ): _____ - SW - NW - NW
990 Feet from North / South Section Line
330 Feet from East / West Section Line
Sec. 20 Twp. 8 S. R. 24 East West
County: Graham
Date Well Completed: 1/26/2008
Plugging Commenced: 1/27/2008
Plugging Completed: 1/27/2008

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
		Surface	220	8 5/8	220	None

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.

Plugging commenced @ 10:00 am on 1/27/2008 - 25 sx @ 2000', 100 sx @ 1125', 40 sx @ 270', 10 sx @ 40', 15 sx in Rathole, Total of 190 sx
60/40 poz - 4% gel - 1/4 # per sx flo-seal, job completed @ 1:00 pm on 1/27/2008 by Quality Cementing

RECEIVED
KANSAS CORPORATION COMMISSION

Name of Plugging Contractor: WW Drilling, LLC License #: 33575
Address: PO Box 307 - WaKeeney, Kansas 67672

MAR 04 2008

Name of Party Responsible for Plugging Fees: H & M Petroleum Corporation
State of Colorado County, EL PASO, ss.

CONSERVATION DIVISION
WICHITA, KS

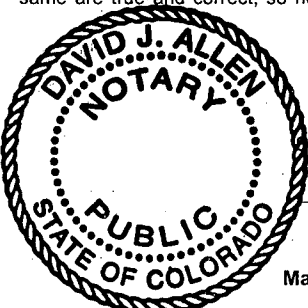
Don Allen (Employee of Operator) or (Operator) on above-described well, being first duly sworn on oath, says: That I have knowledge of the facts statements, and matters herein contained, and the log of the above-described well is as filed, and the same are true and correct, so help me God.

(Signature)

(Address) 731 N. Weber St. Suite 200 Colo Spgs. CO 80903

SUBSCRIBED and SWORN TO before me this 27th day of February, 2008

My Commission Expires: 02-25-09



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

My Commission Expires 02/25/2009