

APR 30 2008

CONSERVATION DIVISION
WICHITA, KS

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 - 129-00256-00-01 (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 1979

Well Operator: Wal-Mac Inc. KCC License #: 33901

(Owner / Company Name) (Operator's)

Address: P.O. Box 1105 City: Ulysses

State: Kansas Zip Code: 67880 Contact Phone: (620) 356 - 3422

Lease: Krey Well #: 1 Sec. 30 Twp. 32 S. R. 40 ☐ East ☒ West

NW SE - SW - Spot Location / QQQQ County: Morton

1320 1318 Feet (in exact footage) From ☐ North / ☒ South (from nearest outside section corner) Line of Section (Not Lease Line)

3990 3890 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 # D19949 ☐ ENHR Docket # ☐ Other:

Conductor Casing Size: Set at: Cemented with: Sacks:

Surface Casing Size: 8-5/8" Set at: 475 Cemented with: to surface Sacks:

Production Casing Size: 4-1/2" Set at: 1232 Cemented with: to surface Sacks:

List (ALL) Perforations and Bridgeplug Sets: 1172' to 1230' no Bridge Plugs

Elevation: 3373.5 (☒ G.L. / ☐ K.B.) T.D.: 1232 P.B.T.D.: 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): Cement from 1172' (casing leak) to surface

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: Ron Wells

Phone: (620) 356 - 3422

Address: P.O. Box 1105 City / State: Ulysses, KS.

Plugging Contractor: Haliburton Services KCC License #: 999907 (Contractor's)

Address: Liberal, KS. 67901 Phone: (800) 853 - 3555

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

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

Date: 4/29/2008 Authorized Operator / Agent: Ronald W Wells (Signature)

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)

WAL-MAC, INC.
PO BOX 1105
ULYSSES, KS 67880-1105

May 02, 2008

Re: KREY #1
API 15-129-00256-00-01
30-32S-40W, 1318 FSL 3890 FEL
MORTON COUNTY, KANSAS

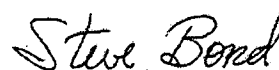
Dear Operator:

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 October 29, 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: #1
210 E Frontview, Suite A
Dodge City, KS 67801
(620) 225-8888