

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: Mai Oil Operations, Inc.
Address: PO Box 33, Russell, KS 67665
Phone: (785) 483-2169 Operator License #: 5259
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: 07-21-08 (Date)
by: Marvin Mills (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 - 167-23522-00-00
Lease Name: Warta
Well Number: 1
Spot Location (QQQQ): 140' N - 40'E - S/2 - SE-SE
470 Feet from North / South Section Line
620 Feet from East / West Section Line
Sec. 19 Twp. 15 S. R. 11 East West
County: Russell
Date Well Completed: D & A
Plugging Commenced: 07-22-08
Plugging Completed: 07-22-08

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
*see attached drilling report		0'	514'	8 5/8" used 25#	504.68'	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 195 sacks of 60/40 Poz, 4% gel, 1/4# floseal per sack.

1st plug @ 3306' with 25 sacks. 2nd plug @ 715' with 25 sacks. 3rd plug @ 565' with 110 sacks.

4th plug @ 40' with 10 sacks to surface. Plug rat hole with 25 sacks. No mouse hole.

Job complete @ 1:45 pm on 07-22-08 by Allied Cementing (tk #42793)

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

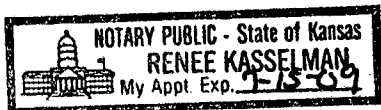
AUG 01 2008

Name of Party Responsible for Plugging Fees: Mai Oil Operations, Inc.

CONSERVATION DIVISION
WICHITA, KS

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 29 day of July, 20 08

Renee Kasselmann My Commission Expires: 7-15-09
Notary Public

Handwritten initials

SOUTHWIND DRILLING, INC.
PLUGGING ORDERS AND REPORTS

Lease: Watta #1

Plugging received from KCC representative:

Name: Matvin Mills Date 7-21-08 Time 11:50 AM

1st plug @ 3306 ft. 25 sx. Stands: 53

2nd plug @ 715 ft. 25 sx. Stands: 11 1/2

3rd plug @ 565 ft. 110 sx. Stands: 9

4th plug @ 40 ft. 10 sx. Stands: 1

5th plug @ _____ ft. _____ sx. Stands: _____

Mousehole _____ sx.

Rahole 25 sx.

Total Cement used: 195 sx.

Type of cement 6 1/4" P02 4 1/2" Gel 1/4" Floseal Pet SK

Plug down @ 1:45 7-22-08 By Allied TK# 42793

Call KCC When Completed:

Name: ED Schumacher Date 7-22-08 Time 2:15 PM

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ALLIED CEMENTING CO., LLC. 042793

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

SERVICE POINT:
Russell KS

DATE <u>7-22-08</u>	SEC. <u>19</u>	TWP. <u>15</u>	RANGE <u>11</u>	CALLED OUT	ON LOCATION	JOB START <u>1:00 pm</u>	JOB FINISH <u>1:45 pm</u>	
LEASE <u>Warta</u>	WELL # <u>1</u>		LOCATION <u>Russell South to Stickney Rd</u>		COUNTY <u>Russell</u>	STATE <u>KS</u>		
<input checked="" type="radio"/> OLD OR NEW (Circle one)			<u>7 East</u>					

CONTRACTOR Southwind Drilling Rig #3

TYPE OF JOB Rotary Plug

HOLE SIZE 7 7/8 T.D. 3385'

CASING SIZE _____ DEPTH _____

TUBING SIZE _____ DEPTH _____

DRILL PIPE 4 1/2 XH DEPTH 3306'

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. _____

PERFS. _____

DISPLACEMENT _____

OWNER _____

CEMENT AMOUNT ORDERED 195 @ 40 4% Gel 1/4 # Flo

COMMON _____ @ _____

POZMIX _____ @ _____

GEL _____ @ _____

CHLORIDE _____ @ _____

ASC _____ @ _____

EQUIPMENT

PUMP TRUCK CEMENTER John Roberts

409 HELPER Shane

BULK TRUCK

396 DRIVER Doug

BULK TRUCK

_____ DRIVER _____

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REMARKS:

25 @ 3306'

25 @ 715'

110 sk @ 565'

10 sk @ 40'

25 sk Rotholz

HANDLING _____ @ _____

MILEAGE _____ @ _____

TOTAL _____

SERVICE

DEPTH OF JOB _____

PUMP TRUCK CHARGE _____

EXTRA FOOTAGE _____ @ _____

MILEAGE _____ @ _____

MANIFOLD _____ @ _____

TOTAL _____

CHARGE TO: Mar Oil

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

_____ @ _____

_____ @ _____

8 3/4 Dry Hole Plug @ _____

_____ @ _____

TOTAL _____

To Allied Cementing Co., LLC.
You are hereby requested to rent cementing equipment and furnish cementer and helper(s) 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 and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

PRINTED NAME Jay Hixson

SIGNATURE Jay Hixson

SALES TAX (If Any) _____

TOTAL CHARGES _____

DISCOUNT _____ IF PAID IN 30 DAYS

SOUTHWIND DRILLING, INC.

RIG #3

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

DRILLING REPORT

Warta #1

Location: 470' FSL & 620' FEL
API#: 15-167-23522-00-00

Section 19-15S-11W
Russell County, Kansas

OWNER: : Mai Oil Operations, Inc.
CONTRACTOR: Southwind Drilling, Inc. Rig #3

COMMENCED: 07-15-08
COMPLETED: 07-22-08

TOTAL DEPTH: Driller: 3385'
Logger: 3386'

Ground Elevation: 1842'
KB Elevation: 1850'

LOG :

0'	-	405'	Postrock/Shale
405'	-	409'	Pyrite
409'	-	467'	Postrock/Shale
467'	-	514'	Lime/Shale
514'	-	678'	Clay/Sand
678'	-	703'	Redbed/Shale
703'	-	730'	Anhydrite
730'	-	1748'	Redbed/Shale
1748'	-	3385'	Lime/Shale
		3385'	RTD

CASING RECORDS

Surface casing – 8 5/8"

Ran 13 joints of 25# used 8 5/8" surface casing. Tally @ 504.68'. Set @ 514'. Cement with 250 sacks of common, 3% calcium chloride, 2% gel. Cement did circulate. Plug down @ 5:15 a.m. on 07-16-08 by Allied Cementing (tk #32976).

Production casing – 5 1/2"

None – plugged the well

DEVIATION SURVEYS

1 degree (s) @ 514'
1 degree (s) @ 2865'

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WICHITA, KS

MORNING DRILLING REPORT				Fax to: Allen Bangert & Mai Oil/ Email to: Kitt Noah			
Southwind Drilling, Inc. PO Box 276 - 8 North Main Ellinwood, KS 67526 620-564-3800		Wellsite Geologist: Kitt Noah 316-841-9510		WELL NAME		Warta #1	
				LOCATION		470' FSL & 620' FEL Sec. 19-15S-11W Russell County, KS	
Rig #3 Phone Numbers				Mai Oil Operations, Inc. 8411 Preston Road, Suite 800 Dallas, TX 75225 214-219-8883			
620-566-7104	Rig Cellular (Dog house)			ELEVATION	G.L. 1842'	K.B. 1850'	API# 15-167-23522-00-00
620-566-7108	Geologist Trailer Cellular						
620-617-4477	Tool Pusher Cellular		Jay Krier				

Driving Directions: From Stickney Road & 200th Street (South of Dorrance): ¼ mile North, West into.

Day	1	Date	07-15-08	Tuesday	Survey @ 514' = 1 degree
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Moved Rig #3 on location

Spud @ 3:00 p.m.

Ran 7.00 hours drilling (1.00 drill rat hole, 6.00 drill 12 ¼"). Down 17.00 hours (7.00 move/rig up, .25 circulate, 2.25 bit trip, .50 trip, .25 survey, 2.25 run casing/cement, 1.75 wait on cement, .50 jet, 2.25 connection)

Mud properties: spud mud

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

Wt. on bit: 15,000, 120 RPM, 500# pump pressure

12 ¼" bit #1 (in @ 0' out @ 467') = 5.50hrs. - 467'

12 ¼" bit #2 (in @ 467' out @ 514') = 0.50 hrs. - 47'

1" fuel = 39.00 gals.

Fuel usage: 312.00 gals. (77" used 8") Start @ 24" + 61" delivered = 85"

Ran 13 joints of 25# used 8 5/8" surface casing. Tally @ 504.68'. Set @ 514'. Cement with 250 sacks of common, 3% calcium chloride, 2% gel. Cement did circulate. Plug down @ 5:15 a.m. on 07-16-08 by Allied Cementing (tk #32976).

Day	2	Date	07-16-08	Wednesday	Anhydrite (703' - 730')
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7:00 am - Waiting on cement @ 514'

Ran 13.50 hours drilling. Down 10.50 hours (6.25 wait on cement, .25 drill plug, .50 rig check, 1.25 jet, 2.25 connection)

Mud properties: spud mud

Daily Mud Cost = \$379.50. Mud Cost to Date = \$379.50

Wt. on bit: 25,000, 80 RPM, 900# pump pressure

12 ¼" bit #1 (in @ 0' out @ 467') = 5.50hrs. - 467'

12 ¼" bit #2 (in @ 467' out @ 514') = 0.50 hrs. - 47'

7 7/8" bit #1 (in @ 514') = 13.50 hrs. - 1234'

Fuel usage: 312.00 gals. (69" used 8")

Day	3	Date	07-17-08	Thursday	
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7:00 am - Drilling @ 1748'

Ran 17.25 hours drilling. Down 6.75 hours (.75 rig check, 2.75 trip/plugged bit, 1.75 connection, .75 displace @ 2535', .75 jet)

Mud properties: spud mud

Daily Mud Cost = \$1,293.65. Mud Cost to Date = \$1,673.15

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

12 ¼" bit #1 (in @ 0' out @ 467') = 5.50hrs. - 467'

12 ¼" bit #2 (in @ 467' out @ 514') = 0.50 hrs. - 47'

7 7/8" bit #1 (in @ 514' out @ 2535') = 30.75 hrs. - 2021'

7 7/8" bit #2 (in @ 2535') = 0.00 hrs. - 0'

Fuel usage: 468.00gals. (57" used 12")

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MORNING DRILLING REPORT			Fax to: Allen Bangert & Mai Oil/ Email to: Kitt Noah				
Southwind Drilling, Inc. PO Box 276 - 8 North Main Ellinwood, KS 67526 620-564-3800		Wellsite Geologist: Kitt Noah 316-841-9510		WELL NAME Warta #1		LOCATION 470' FSL & 620' FEL Sec. 19-15S-11W Russell County, KS	
Rig #3 Phone Numbers			Mai Oil Operations, Inc. 8411 Preston Road, Suite 800 Dallas, TX 75225 214-219-8883				
620-566-7104	Rig Cellular (Dog house)			ELEVATION *	G.L. 1842'	K.B. 1850'	API# 15-167-23522-00-00
620-566-7108	Geologist Trailer Cellular						
620-617-4477	Tool Pusher Cellular		Jay Krier				

Driving Directions: From Stickney Road & 200th Street (South of Dorrance): ¼ mile North, West into.

Day	4	Date	07-18-08	Friday	DST #1 (2808' – 2865')
					Plattsmouth formation
					Recovered 40' muddy water

Survey @ 2865' = 1 degree
Pipe strap = 0.03 short to the board

7:00 am – Tripping in with bit @ 2535'
 Ran 10.00 hours drilling. Down 14.00 hours (1.00 CFS @ 2865', 1.00 CTCH, 5.50 trip, .25 rig check, 2.00 bit trip, .25 displace, .75 connection, 3.00 DST #1, .25 survey)
 Mud properties: wt. 8.7, vis. 49, water loss 10.4
 Daily Mud Cost = \$2,028.85. Mud Cost to Date = \$3,702.00
 Wt. on bit: 30,000, 80 RPM, 800# pump pressure
 12 ¼" bit #1 (in @ 0' out @ 467') = 5.50hrs. - 467'
 12 ¼" bit #2 (in @ 467' out @ 514') = 0.50 hrs. - 47'
 7 7/8" bit #1 (in @ 514' out @ 2535') = 30.75 hrs. - 2021'
 7 7/8" bit #2 (in @ 2535') = 10.00 hrs. - 330'

Fuel usage: 312.00 gals. (49" used 8")

Day	5	Date	07-19-08	Saturday	DST #2 (3073' – 3083')
					Lansing "G" formation
					Recovered 50' mud cut water

7:00 am – Tripping in with bit after DST #1 @ 2865'
 Ran 7.50 hours drilling. Down 16.50 hours (2.00 CTCH, 1.00 CFS @ 2920', .75 CFS @ 3005', 1.25 CFS @ 3037', 1.25 CFS @ 3083', 6.75 trip, .25 rig repair, 3.00 DST #2, .25 connection)
 Mud properties: wt. 8.9, vis. 52, water loss 10.5
 Daily Mud Cost = \$1,015.95. Mud Cost to Date = \$4,717.95
 Wt. on bit: 30,000, 80 RPM, 800# pump pressure
 12 ¼" bit #1 (in @ 0' out @ 467') = 5.50hrs. - 467'
 12 ¼" bit #2 (in @ 467' out @ 514') = 0.50 hrs. - 47'
 7 7/8" bit #1 (in @ 514' out @ 2535') = 30.75 hrs. - 2021'
 7 7/8" bit #2 (in @ 2535') = 17.50 hrs. - 597'

Fuel usage: 312.00 gals. (41" used 8")

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Southwind Drilling, Inc. PO Box 276 - 8 North Main Ellinwood, KS 67526 620-564-3800		Wellsite Geologist: Kitt Noah 316-841-9510	
Rig #3 Phone Numbers		Mai Oil Operations, Inc. 8411 Preston Road, Suite 800 Dallas, TX 75225 214-219-8883	
620-566-7104	Rig Cellular (Dog house)	ELEVATION	
620-566-7108	Geologist Trailer Cellular	G.L. 1842'	K.B. 1850'
620-617-4477	Tool Pusher Cellular	API# 15-167-23522-00-00	

Driving Directions: From Stickney Road & 200th Street (South of Dorrance): ¼ mile North, West into.

Day	6	Date	07-20-08	Sunday	DST #3 (3121' – 3185')
					<u>LKC "H"- "J" formation</u>
					<u>Recovered 50' oil cut mud</u>

7:00 am – Drilling @ 3132'
Ran 9.25 hours drilling. Down 14.75 hours (1.00 CTCH, 1.00 CFS @ 3140', 1.25 CFS @ 3185', 1.00 CFS @ 3281', 1.00 CFS @ 3291', 1.00 CFS @ 3302', .25 rig check, 3.00 DST #3, 5.00 trip, .25 connection)
Mud properties: wt. 8.9, vis. 51, water loss 8.8
Daily Mud Cost = \$916.75. Mud Cost to Date = \$5,634.70
Wt. on bit: 30,000, 80 RPM, 800# pump pressure
12 ¼" bit #1 (in @ 0' out @ 467') = 5.50 hrs. - 467'
12 ¼" bit #2 (in @ 467' out @ 514') = 0.50 hrs. - 47'
7 7/8" bit #1 (in @ 514' out @ 2535') = 30.75 hrs. - 2021'
7 7/8" bit #2 (in @ 2535') = 26.75 hrs. - 772'
Fuel usage: 312.00 gals. (33" used 8")

Day	7	Date	07-21-08	Monday	DST #4 (3327' – 3334')
					<u>Arbuckle formation</u>
					<u>Recovered 100' water with slight oil scum</u>

RTD = 3385'
LTD = 3386'

7:00 am – Drilling @ 3307'
Ran 3.25 hours drilling. Down 20.75 hours (1.00 CTCH, 1.00 CFS @ 3310', 1.00 CFS @ 3320', 1.25 CFS @ 3326', 1.25 CFS @ 3334', 1.00 CFS @ 3385', 6.75 trip, .25 rig check, 3.00 DST #4, 4.25 log)
Mud properties: wt. 9.1, vis. 55, water loss 10.4
Daily Mud Cost = \$0.00. **Total Mud Cost = \$5,634.70**
Wt. on bit: 30,000, 80 RPM, 800# pump pressure
12 ¼" bit #1 (in @ 0' out @ 467') = 5.50 hrs. - 467'
12 ¼" bit #2 (in @ 467' out @ 514') = 0.50 hrs. - 47'
7 7/8" bit #1 (in @ 514' out @ 2535') = 30.75 hrs. - 2021'
7 7/8" bit #2 (in @ 2535' out @ 3385') = 30.00 hrs. - 850'
Fuel usage: 234.00 gals. (27" used 6")

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Day	8	Date	07-22-08	Tuesday
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7:00 am – Logging @ 3385'
Ran 0.00 hours drilling. Down 8.00 hours (.50 log, 1.50 trip, 2.00 lay down pipe, .75 nipple down, 1.00 wait on cementers, 1.00 plug, 1.25 tear down)
Fuel usage: 117.00 gals. (24" used 3")
Plug well with 195 sacks of 60/40 Poz, 4% gel, ¼# floseal per sack.
1st plug @ 3306' with 25 sacks. 2nd plug @ 715' with 25 sacks. 3rd plug @ 565' with 110 sacks.
4th plug @ 40' with 10 sacks to surface. Plug rat hole with 25 sacks.
Job complete @ 1:45 pm on 07-22-08 by Allied Cementing (tkr #42793).