TO:

STATE CORPORATION COMMISSION **CONSERVATION DIVISION - PLUGGING**

130 SOUTH MARKET, SUITE 2078

WICHITA, KANSAS 67202

Operator License No.: 5214

Op Name: LARIO OIL & GAS COMPANY

Address: 301 S MARKET ST

WICHITA, KS 67202

API Well Number: 15-095-21897-00-00

Spot: SWSWSW

Sec/Twnshp/Rge: 7-28S-5W

190 SXS CMT

388 feet from S Section Line,

4837 feet from E Section Line

Lease Name: HILGER

Well #: 1-7

County: KINGMAN

Total Vertical Depth: 3950 feet

String Size Depth (ft) Pulled (ft) Comment

PROD 5.5 3949 2850 175 SXS CMT

SURF 8.625 280 T1 2.375 3768

Well Type: OIL

UIC Docket No:

Date/Time to Plug: 10/10/2008 12:00 PM

Plug Co. License No.: 31925

Plug Co. Name: QUALITY WELL SERVICE, INC.

Proposal Rcvd. from: RICHARD MCINTYRE

Company: QUALITY WELL SERVICE

Phone: (620) 727-3410

Proposed SAND BACK 3770', CAP WITH 5 SKS OF CMT. RECOVER CASING. 35 SKS 550', CIRC CMT FROM 330-0'

Plugging Method:

Plugging Proposal Received By: STEVE VANGIESON

WitnessType: PARTIAL

Date/Time Plugging Completed: 10/10/2008 2:00 PM

KCC Agent: STEVE VANGIESON

Actual Plugging Report:

THE PERFS WERE COVERED WITH SAND FROM 3886' TO 3770', AND CAPPED WITH 5 SKS OF CMT. THE CASING WAS RECOVERED FROM 2850', AND PULLED TO 550', WHERE 35 SKS OF CMT WAS SPOTTED. THE CASING WAS PULLED TO 330',

WHERE CMT WAS CIRC TO SURFACE.

Perfs:

Top Bot Thru Comments 3822 3830

RECEIVE KANSAS CORPORATION COMMISSION

NOV 2 6 2008

CONSERVATION DIVISION. WICHITA-KS

Remarks:

QUALITY OIL WELL CEMENTING 60/40 4% GEL

Plugged through: CSG

District: 02

Signed

(TECHNICIAN)

Form CP-2/3