

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: 8411 Preston Road, Suite 800, Dallas, TX 75225
Phone: (214) 219-8883 Operator License #: 5259
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: 03-05-09 (Date)
by: Ray Dinkel (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 - 167-23564-00-00
Lease Name: Finnegan
Well Number: 1
Spot Location (QQQQ): 30'N - 190'E - C-SE - SE
690 Feet from North / South Section Line
470 Feet from East / West Section Line
Sec. 10 Twp. 13 S. R. 14 East West
County: Russell
Date Well Completed: D & A
Plugging Commenced: 03-06-09
Plugging Completed: 03-06-09

KCC
PET
PES
PBDWAS

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'	453'	8 5/8" new 20#	443.22'	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 190 sacks of 60/40 Poz, 4% gel, 1/4# floeal per sack.

1st plug @ 3240' with 25 sacks. 2nd plug @ 860' with 25 sacks. 3rd plug @ 503' with 100 sacks.

4th plug @ 40' with 10 sacks to surface. Plug rat hole with 30 sacks.

Job complete @ 8:30 a.m. on 03-06-09 by Allied Cementing (tk #34964A)

KANSAS CORPORATION COMMISSION

Name of Plugging Contractor: Southwind Drilling, Inc. License #: 33350

Address: PO Box 276, Ellinwood, KS 67526

MAR 10 2009

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

RECEIVED

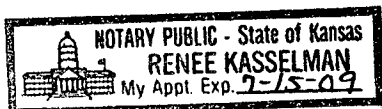
State of Kansas County, Barton, ss.

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 9 day of March, 20 09

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

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

PES

**SOUTHWIND DRILLING, INC.
PLUGGING ORDERS AND REPORTS**

Lease: Finnegan #1

Plugging received from KCC representative:

Name: RAY Dinkel Date 3-5-09 Time 3:30

1st plug @ 3240 ft. 25 sx. Stands: 52

2nd plug @ 860 ft. 25 sx. Stands: 14

3rd plug @ 503 ft. 100 sx. Stands: 8

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

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

Mousehole _____ sx.

Rahole 30 sx.

Total Cement used: 190 sx.

Type of cement 60/40 Poz 4% Gel, 1/4" Floscal Pct. SK.

Plug down @ 8:30 A.M. 3-6-09

Call KCC When Completed:

Name: MATVIN MILLS Date 3-6-09 Time 10:00

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CEMENTING LOG

STAGE NO.

Date 3-6-09 District 4 Ticket No. 34964A
 Company Mai Oil Operations Inc. Rig Southwind #3
 Lease Finnegan Well No. 1
 County Russell State KS
 Location Russell KS North West Field _____
1 North East into

CASING DATA: PTA Squeeze
 Surface Intermediate Production Liner
 Size _____ Type _____ Weight _____ Collar _____

Casing Depths: Top _____ Bottom _____

Drill Pipe: Size 4 1/2 XH Weight 16.60 Collars _____
 Open Hole: Size 7 7/8 T.D. 3650 ft. P.B. to _____ ft.

CAPACITY FACTORS:

Casing: Bbbls/Lin. ft. _____ Lin. ft./Bbl. _____
 Open Holes: Bbbls/Lin. ft. .0602 Lin. ft./Bbl. 16.5993
 Drill Pipe: Bbbls/Lin. ft. .01422 Lin. ft./Bbl. 70.32
 Annulus: Bbbls/Lin. ft. .0406 Lin. ft./Bbl. 24.6474
 Bbbls/Lin. ft. _____ Lin. ft./Bbl. _____
 Perforations: From _____ ft. to _____ ft. Amt. _____

CEMENT DATA:

Spacer Type: _____
 Amt. _____ Sks Yield _____ ft³/sk Density _____ PPG _____

LEAD: Pump Time _____ hrs. Type 60-40 4% Gel 4# FT6
 Excess _____
 Amt. 190 Sks Yield 1.39 ft³/sk Density 13.9 PPG

TAIL: Pump Time _____ hrs. Type _____
 Excess _____
 Amt. _____ Sks Yield _____ ft³/sk Density _____ PPG

WATER: Lead 6.7 gals/sk Tail _____ gals/sk Total 30.31 Bbbls.

Pump Trucks Used 409 - Travis
 Bulk Equip. 410 - Rocky

Float Equip: Manufacturer _____
 Shoe: Type _____ Depth _____
 Float: Type _____ Depth _____
 Centralizers: Quantity _____ Plugs Top Dry Hole Btm. _____
 Stage Collars _____
 Special Equip. _____
 Disp. Fluid Type Fresh H2O Amt. 9 Bbbls. Weight 8.3 PPG
 Mud Type Drill mud 44 bbl Weight 9.2 PPG

COMPANY REPRESENTATIVE Jay Krier

CEMENTER John Roberts

TIME AM/PM	PRESSURES PSI		FLUID PUMPED DATA			REMARKS
	DRILL PIPE CASING	ANNULUS	TOTAL FLUID	Pumped Per Time Period	RATE Bbbls Min.	
			6.18	6.18	3.5	1st @ 3240' 25sk Cement Displace w/ 44 Drill mud
			12.36 20.36	6.18 8	3.5	2nd @ 860' 25sk Cement Displace w/ 8bbl H2O
			45.11 46.11	24.75 1	4	3rd @ 503' 100sk Cement Displace w/ 1bbl H2O
			48.58	2.47	3	4th @ 40' 10sk Cement
8:30am			56	7.42	3	Rathole 30sk Cement

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SOUTHWIND DRILLING, INC.

RIG #3

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

DRILLING REPORT

Finnegan #1

Location: 690' FSL & 470' FEL
API#: 15-167-23564-00-00

Section 10-13S-14W
Russell County, Kansas

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

COMMENCED: 02-27-09
COMPLETED: 03-06-09

TOTAL DEPTH: Driller: 3290'
Logger: 3292'

Ground Elevation: 1801'
KB Elevation: 1809'

LOG :

0'	-	357'	Clay/Shale
357'	-	379'	Iron Pyrite
379'	-	453'	Shale
453'	-	843'	Shale/Redbed
843'	-	882'	Anhydrite
882'	-	995'	Shale/Redbed
995'	-	1585'	Shale
1585'	-	3290'	Lime/Shale
		3290'	RTD

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CASING RECORDS

Surface casing – 8 5/8"

Ran 11 joints of 20# new 8 5/8" surface casing. Tally @ 443.22'. Set @ 453'. Cement with 225 sacks of 60/40 Poz, 3% calcium chloride, 2% gel. Cement did circulate. Plug down @ 6:45 a.m. on 02-28-09 by Allied (tk #37479)

Production casing – 5 1/2"

None – plugged the well

DEVIATION SURVEYS

1 1/4 degree (s) @ 453'
1/2 degree (s) @ 3036'

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	
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. 1801' K.B. 1809' API# 15-167-23564-00-00	
620-566-7108	Geologist Trailer Cellular		
620-617-4477	Tool Pusher Cellular		

Driving Directions: From Russell: 1 mile North on 281 Hwy. to Shoreline Rd., ½ mile West to 184th Blvd., 1 ¼ miles North on 184th Blvd., East into.

Day 1 Date 02-27-09 Friday Survey @ 453' = 1 ¼ degree

Moved Rig #3 on location

Spud @3:00 p.m.

Ran 11.00 hours drilling (1.50 drill rat hole, 9.50 drill 12 ¼"). Down 13.00 ours (6.50 move/rig up, 1.25 trip, .25 circulate, .25 survey, 2.50 run casing/cement, .25 jet, 1.75 connection, .25 wait on cement)

Mud properties: spud mud

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

Wt. on bit: 15,000, 120 RPM, 400# pump pressure

12 ¼" bit #1 (in @ 0' out @ 357') = 4.75 hrs. - 357'

12 ¼" bit #2 (in @ 357' out @ 453') = 4.75 hrs. - 96'

1" fuel = 39.00 gals.

Fuel usage: 195.00 gals. (78" used 5") Start @ 25" + 58" delivered = 83"

Ran 11 joints of 20# new 8 5/8" surface casing. Tally @ 443.22'. Set @ 453'. Cement with 225 sacks of 60/40 Poz, 3% calcium chloride, 2% gel. Cement did circulate. Plug down @ 6:45 a.m. on 02-28-09 by Allied (tk #37479)

Day 2 Date 02-28-09 Saturday

7:00 am – Waiting on cement @ 453'

Ran 7.00 hours drilling. Down 17.00 hours (7.75 wait on cement, .25 drill plug, 6.50 surface pipe fell/weld more pipe on, .50 drill plug, .25 rig check, .25 rig repair, 1.00 connection, .50 jet)

NOTE: Surface pipe dropped 29" when plug was drilled out, welded piece onto surface pipe

Mud properties: spud mud

Daily Mud Cost = \$282.95. Mud Cost to Date = \$282.95

Wt. on bit: 20,000, 80 RPM, 700# pump pressure

12 ¼" bit #1 (in @ 0' out @ 357') = 4.75 hrs. - 357'

12 ¼" bit #2 (in @ 357' out @ 453') = 4.75 hrs. - 96'

7 7/8" bit #1 (in @ 453') = 7.00 hrs. - 542'

Fuel usage: 351.00 gals. (69" used 9")

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Day 3 Date 03-01-09 Sunday Anhydrite (843' – 882')

7:00 am – Drilling @ 995'

Ran 19.25 hours drilling. Down 4.75 hours (1.00 rig check, 2.25 connection, 1.00 jet, .50 rig repair)

Mud properties: spud mud

Daily Mud Cost = \$0.00. Mud Cost to Date = \$282.95

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

12 ¼" bit #1 (in @ 0' out @ 357') = 4.75 hrs. - 357'

12 ¼" bit #2 (in @ 357' out @ 453') = 4.75 hrs. - 96'

7 7/8" bit #1 (in @ 453') = 26.25 hrs. - 1672'

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

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	
Rig #3 Phone Numbers		WELL NAME	Finnegan #1
620-566-7104	Rig Cellular (Dog house)	LOCATION	690° FSL & 470° FEL Sec. 10-13S-14W Russell County, KS
620-566-7108	Geologist Trailer Cellular	Mai Oil Operations, Inc. 8411 Preston Road, Suite 800 Dallas, TX 75225 214-219-8883	
620-617-4477	Tool Pusher Cellular	Jay Krier	ELEVATION
			G.L. 1801' K.B. 1809' API# 15-167-23564-00-00

Driving Directions: From Russell: 1 mile North on 281 Hwy. to Shoreline Rd., ½ mile West to 184th Blvd., 1 ¼ miles North on 184th Blvd., East into.

Day 4 Date 03-02-09 Monday

7:00 am – Drilling @ 2125'
Ran 19.75 hours drilling. Down 4.25 hours (.50 rig check, 1.25 connection, .50 jet, .25 rig repair, 1.75 displace @ 2608')

Mud properties: wt. 8.6, vis. 55
Daily Mud Cost = \$0.00. Mud Cost to Date = \$282.95
Wt. on bit: 30,000, 80 RPM, 800# pump pressure
12 ¼" bit #1 (in @ 0' out @ 357') = 4.75 hrs. - 357'
12 ¼" bit #2 (in @ 357' out @ 453') = 4.75 hrs. - 96'
7 7/8" bit #1 (in @ 453') = 46.00 hrs. - 2384'

Fuel usage: 468.00 gals. (45" used 12")

Day 5 Date 03-03-09 Tuesday DST #1 (2957' – 3036')
LKC "A" – "C" formation
Recovered 5' mud

7:00 am – Drilling @ 2837'
Ran 9.00 hours drilling. Down 15.00 hours (1.00 CFS @ 2910', 1.00 CFS @ 2997', 1.00 CFS @ 3020', 1.00 CFS @ 3036', 2.00 CTCH, 7.00 trip, .25 rig check, .25 survey, 1.00 DST #1, .50 connection)

Mud properties: wt. 8.9, vis. 51, water loss 7.6
Daily Mud Cost = \$4,170.85. Mud Cost to Date = \$4,453.80
Wt. on bit: 30,000, 80 RPM, 900# pump pressure
12 ¼" bit #1 (in @ 0' out @ 357') = 4.75 hrs. - 357'
12 ¼" bit #2 (in @ 357' out @ 453') = 4.75 hrs. - 96'
7 7/8" bit #1 (in @ 453') = 55.00 hrs. - 2601'

Fuel usage: 429.00 gals. (34" used 11")

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Day 6 Date 03-04-09 Wednesday DST #2 (3044' – 3075')
LKC "D" – "F" formation
Recovered 25' mud with slight oil scum

7:00 am – Drilling @ 3054'
Ran 7.25 hours drilling. Down 16.75 hours (1.00 CTCH, 1.00 CFS @ 3075', 1.00 CFS @ 3138', 1.00 CFS @ 3158', 1.25 CFS @ 3190', 7.75 trip, .50 rig repair, 3.00 DST #2, .25 rig check)

Mud properties: wt. 9.0, vis. 51, water loss 9.6
Daily Mud Cost = \$0.00. Mud Cost to Date = \$4,453.80
Wt. on bit: 30,000, 80 RPM, 850# pump pressure
12 ¼" bit #1 (in @ 0' out @ 357') = 4.75 hrs. - 357'
12 ¼" bit #2 (in @ 357' out @ 453') = 4.75 hrs. - 96'
7 7/8" bit #1 (in @ 453') = 62.25hrs. - 2737'

Fuel usage: 429.00 gals. (49" used 11") 34" + 26" delivered = 60"

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	Finnegan #1		
			LOCATION	690' FSL & 470' FEL Sec. 10-13S-14W 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. 1801'	K.B. 1809'	API# 15-167-23564-00-00
620-566-7108	Geologist Trailer Cellular					
620-617-4477	Tool Pusher Cellular	Jay Krier				

Driving Directions: From Russell: 1 mile North on 281 Hwy. to Shoreline Rd., ½ mile West to 184th Blvd., 1 ¼ miles North on 184th Blvd., East into.

Day	7	Date	03-05-09	Thursday	DST #3 (3138' - 3190')
					<u>LKC "I" - "J" formation</u>
					<u>Recovered 10' mud</u>

RTD = 3290'
LTD = 3292'

7:00 am - Tripping in with DST #3 @ 3190'

Ran 4.75 hours drilling. Down 19.25 hours (6.75 trip, 1.75 DST #3, 1.00 CTCH, .25 rig check, 1.00 CFS @ 3265', 1.00 CFS @ 3290', 3.50 log, 1.00 nipple down, 3.00 lay down pipe)

Mud properties: wt. 9.3, vis. 51, water loss 9.6

Daily Mud Cost = \$931.75. **Total Mud Cost = \$5,385.55**

Wt. on bit: 30,000, 80 RPM, 900# pump pressure

12 ¼" bit #1 (in @ 0' out @ 357') = 4.75 hrs. - 357'

12 ¼" bit #2 (in @ 357' out @ 453') = 4.75 hrs. - 96'

7 7/8" bit #1 (in @ 453' out @ 3290') = 67.00hrs. - 2837'

Fuel usage: 351.00 gals. (40" used 9")

Day	8	Date	03-06-09	Friday
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7:00 am - Laying down drill pipe @ 3290'

Ran 0.00 hours drilling. Down 16.00 hours (.50 lay down pipe, 1.00 plug, 14.50 tear down)

Fuel usage: 39.00 gals. (39" used 1")

Plug well with 190 sacks of 60/40 Poz, 4% gel, ¼# floseal per sack.

1st plug @ 3240' with 25 sacks. 2nd plug @ 860' with 25 sacks. 3rd plug @ 503' with 100 sacks.

4th plug @ 40' with 10 sacks to surface. Plug rat hole with 30 sacks.

Job complete @ 8:30 a.m. on 03-06-09 by Allied (tk #34964)

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