TO:

STATE CORPORATION COMMISSION **CONSERVATION DIVISION - PLUGGING**

130 SOUTH MARKET, SUITE 2078

WICHITA, KANSAS 67202

Operator License No.: 7383

Op Name: GRADY BOLDING CORPORATION

Address: PO BOX 486

ELLINWOOD, KS 67526

API Well Number: 15-053-00934-00-00

Spot: SWSESE

Sec/Twnshp/Rge: 22-17S-9W

325 feet from S Section Line,

884 feet from E Section Line

Lease Name: PRUESS

County: ELLSWORTH

Well #: 3

Total Vertical Depth: 3164 feet

String Size Depth (ft) Pulled (ft) Comment

SURF 8.625 205 250 SX

102.83 PROD 5.5 3155 150 SX

Well Type: OIL

UIC Docket No:

Date/Time to Plug: 05/20/2009 2:00 PM

Plug Co. License No.: 31529

Plug Co. Name: MIKE'S TESTING & SALVAGE, INC.

Company: MIKE'S TESTING & SALVAGE INC Phone: (620) 562-8088

Plugging Method:

Proposed SEE BELOW

Proposal Rcvd. from: MIKE KELSO

Plugging Proposal Received By: VIRGIL CLOTHIER

WitnessType: PARTIAL

Date/Time Plugging Completed: 05/20/2009 5:30 PM

KCC Agent: VIRGIL CLOTHIER

Actual Plugging Report:

MIRU ON 5-19-2009. ATTEMPT TO RUN BAILER DOWN, HIT OBSTRUCTION AT 1500'-DID RUN ON DOWN TO APPROX. 2000'. RUN NOTCHED TUBING DOWN HOLE CHURNING AND TURNING TO 2015'. ON 5-20-2009, RUN TUBING WITH BIT FROM 2015' TO 2232' THRU SALTY-SANDY-IRON SULFIDE WITH MUD PUMP AND POWER SWIVEL. RAN TUBING DOWN FREELY TO 3100'. PUMPED 50 SX'S COMMON CEMENT. PULL TUBING OUT AND PERFORATE AT 1200', 850', AND 255'. RUN TUBING BACK DOWN TO 1200' AND PUMP 35 SX'S COMMON CEMENT. PULL TUBING TO 850' AND PUMP 35 SX'S COMMON CEMENT. PULL TUBING TO 255' AND CIRCULATE 60-40 POZ 4% GEL CEMENT TO SURFACE. PULL TUBING OUT AND TOP OFF. PUMPED 35 SX'S CEMENT ON BACKSIDE OF 5.5" UNTIL PRESSURED UP AND OUIT.

Perfs:

qoT Bot Thru Comments

3155 3164 OH

INVOICED

RECEIVED

JUN 8 1 2009

KCC WICHITA

Remarks:

COPELAND CEMENT #C-35339. LOG TECH OF KANSAS #5739.

Plugged through: TBG

District: 02

Signed

(TECHNICIAN)