Sec/Twnshp/Rge: 35-28S-14W

Date/Time to Plug: 03/14/2010 2:30 PM

Perfs:

Depth (ft) Pulled (ft) Comments

1363 feet from E Section Line

Well #: 1

Total Vertical Depth: 4650 feet

Phone: (620) 672-9508

WITH 400 SX CMT

TO:

STATE CORPORATION COMMISSION **CONSERVATION DIVISION - PLUGGING**

130 SOUTH MARKET, SUITE 2078

WICHITA, KANSAS 67202

Operator License No.: 31725

Op Name: SHELBY RESOURCES LLC

Address: 445 UNION BOULEVARD SUITE 208

Plug Co. License No.: 5142

Well Type: DH

LAKEWOOD, CO 80228

UIC Docket No:

Plug Co. Name: STERLING DRILLING COMPANY

Spot: NENENWNE

County: PRATT String Size

SURF 13.38

Lease Name: BIS UNIT

Proposal Rcvd. from: LANNY SALOGA

Proposed 1ST PLUG AT 4550' WITH 50 SX CMT. 2ND PLUG AT 850' WITH 50 SX CMT. 3RD PLUG AT 420' WITH 100 SX Plugging |CMT. 4TH PLUG AT 60' WITH 40 SX CMT. 5TH PLUG TO CIRCULATE RAT HOLE WITH 30 SX CMT. 6TH

Method: PLUG TO CIRCULATE MOUSE HOLE WITH 20 SX CMT.

Plugging Proposal Received By: RICHARD LACEY

Date/Time Plugging Completed: 03/14/2010 4:30 PM

WitnessType: NONE

API Well Number: 15-151-22346-00-00

240 feet from N Section Line,

393

Company: STERLING DRILLING COMPANY

KCC Agent: RICHARD LACEY

Actual Plugging Report:

1ST PLUG AT 4550' WITH 50 SX CMT. 2ND PLUG AT 850' WITH 50 SX CMT. 3RD PLUG AT 420' WITH 100 SX CMT. 4TH PLUG AT 60' WITH 40 SX CMT. 5TH PLUG TO CIRCULATE RAT HOLE WITH 30 SX CMT. 6TH PLUG TO CIRCULATE MOUSE HOLE WITH 20 SX CMT.

RECEIVED KANSAS CORPORATION COMMISSION

MAR **2 9** 2010

CONSERVATION DIVISION WICHITA, KS

Remarks:

USED 60/40 POZMIX 4% GEL BY QUALITY OIL WELL CEMENTING.

Plugged through: DP

District: 01

RECEIVED

MAR 1 5 2010

Signed

(TECHNICIAN)

KCC DODGE CITY