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

LAKEWOOD, CO 80228

UIC Docket No:

API Well Number: 15-151-22352-00-00

679 feet from S Section Line,

220

Date/Time to Plug: 05/05/2010 8:30 AM

Sec/Twnshp/Rge: 15-26S-13W

2190 feet from E Section Line

Well #: 1-15

Total Vertical Depth: 4650 feet

WITH 225 SX CMT

Plug Co. License No.: 5142

Plug Co. Name: STERLING DRILLING COMPANY

Spot: SENWSWSE

County: PRATT

String Size

SURF 13.38

Lease Name: C. SHRACK

Proposal Rcvd. from: LANNY SALOGA

Company: STERLING DRILLING COMPANY Phone: (620) 672-9508

Depth (ft) Pulled (ft) Comment

Well Type: <u>DH</u>

Proposed 1ST PLUG AT 4582' WITH 50 SX CMT. 2ND PLUG AT 720' WITH 50 SX CMT. 3RD PLUG AT 240' WITH 75 SX Plugging CMT. 4TH PLUG AT 60' WITH 30 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: ERIC MACLAREN

WitnessType: NONE

Date/Time Plugging Completed: 05/05/2010 10:30 AM

KCC Agent: ERIC MACLAREN

Actual Plugging Report:

Perfs:

1ST PLUG AT 4582' WITH 50 SX CMT. 2ND PLUG AT 720' WITH 50 SX CMT. 3RD PLUG AT 240' WITH 75 SX CMT. 4TH PLUG AT 60' WITH 30 SX CMT. 5TH PLUG TO CIRCULATE RAT HOLE WITH 30 SX CMT. 6TH PLUG TO CIRCULATE MOUSE HOLE WITH 20 SX CMT.

Remarks:

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

Plugged through: DP

District: 01

Signed Ein Morka

(TECHNICIAN)

RECEIVED

KCC WICHITA

KCC DODGE CITY

MAY 1 1 2010