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SEP 13 2010

KCC WICHITA

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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AUG 20 2010

KCC WICHITA

WELL PLUGGING APPLICATION

Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act,
MUST be submitted with this form.

Form CP-1

March 2010

This Form must be Typed
Form must be Signed
All blanks must be Filled

OPERATOR: License #: 34318
Name: Berexco LLC
Address 1: PO Box 20380
Address 2: _____
City: Wichita State: KS Zip: 67208 + _____
Contact Person: Bernie Hoffman
Phone: (316) 265-3311

API No. 15 - 039-20386-0001
If pre 1967, supply original completion date: _____
Spot Description: _____
NE NE SE Sec. 11 Twp. 2 S. R. 30 East West
2,200 Feet from North / South Line of Section
440 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Decatur
Lease Name: Elwood Well #: 2

Check One: Oil Well Gas Well OG D&A Cathodic Water Supply Well Other: _____
 SWD Permit #: _____ ENHR Permit #: _____ Gas Storage Permit #: _____

Conductor Casing Size: _____ Set at: _____ Cemented with: _____ Sacks
Surface Casing Size: 8-5/8" Set at: 299' Cemented with: 200 Sacks
Production Casing Size: 4.5" Set at: 3971' Cemented with: 160 Sacks

List (ALL) Perforations and Bridge Plug Sets:

Perfs: 3738-42, 3859-62

Elevation: 2717 (G.L. / K.B.) T.D.: 3971' PBDT: 3913' Anhydrite Depth: 2456'
(Stone Corral Formation)

Condition of Well: Good Poor Junk in Hole Casing Leak at: NOT KNOWN
(Interval)

Proposed Method of Plugging (attach a separate page if additional space is needed):

Will plug per KCC requirements

Is Well Log attached to this application? Yes No Is ACO-1 filed? Yes No

If ACO-1 not filed, explain why:

Logs previously on file

Plugging of this Well will be done in accordance with K.S.A. 55-101 et. seq. and the Rules and Regulations of the State Corporation Commission

Company Representative authorized to supervise plugging operations: Ed Hanes
Address: 101 E. 3rd City: Trenton State: NE Zip: 69044 + _____
Phone: (308) 340-1910, 308 340-6288

Plugging Contractor License #: 99998 Name: Company Tools
Address 1: 101 E. 3rd Address 2: _____
City: Trenton State: NE Zip: 69044 + _____
Phone: (308) 334-5680

Proposed Date of Plugging (if known): Week of August 23 P + A 8/26/10

Payment of the Plugging Fee (K.A.R. 82-3-118) will be guaranteed by Operator or Agent

Date: August 19, 2010 Authorized Operator / Agent: Bernie Hoffman
(Signature)

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

Well Abr. Plugged - No dtes.

Dist. 4

Plugged 8-21-10
SS
9-3-10

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KANSAS CORPORATION COMMISSION
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CERTIFICATION OF COMPLIANCE WITH THE
KANSAS SURFACE OWNER NOTIFICATION ACT

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KCC WICHITA

Form KSONA-1

July 2010

Form Must Be Typed

Form must be Signed

All blanks must be Filled

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

OPERATOR: License # 34318
Name: Berexco LLC
Address 1: PO Box 20380
Address 2: _____
City: Wichita State: KS Zip: 67208 + _____
Contact Person: Bernie Hoffman
Phone: (316) 265-3311 Fax: (316) 265-8690
Email Address: bhoffman@berexco.com

Well Location:
NE NE SE Sec. 11 Twp. 2 S. R. 30 East West
County: Decatur
Lease Name: Elwood Well #: 2

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

KSONA FEE
PAID 9/13/10.
w/ ch. rec'd

Surface Owner Information:

Name: Joseph Kyte
Address 1: 8024 Windwood Court
Address 2: _____
City: Wichita State: KS Zip: 67226 + 1832

When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: August 19, 2010 Signature of Operator or Agent: Bernie Hoffman Title: District Engineer

September 15, 2010

Mr. Joseph Kyte
8024 Windwood Court
Wichita, KS 67226-1832

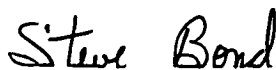
RE: Kansas Surface Owners Notification Act
Lease Name: Elwood 2 Well No.: 2
Location: 11-2S-30W, NENESE, Decatur County

Dear Mr. Kyte:

The 2009 Legislature passed *House Bill 2032*, known as the *Kansas Surface Owners Notice Act*. This Act requires the KCC to provide copies of drilling intents, operator transfers and well plugging applications to the surface owner if they are not provided by the lease operator. The *Operator of Record* has advised us that they have not provided you with a copy of the attached Well Plugging Application (CP-1) and Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) forms. Therefore, this letter and the attached forms shall serve as notice of the operator's action(s) in relation to the above-referenced well.

You do not need to respond to the KCC. Please contact the operator listed on these forms if you have any questions.

Very truly yours,



Steve Bond
Production Department Supervisor

Encls. (CP-1; KSONA-1 forms)