STATE OF KANSAS KANSAS CORPORATION COMMISSION CONSERVATION DIVISION 130 South Market - Room 2078 Wichita, Kansas 67202

FORM CP-1 (3/92)

WELL PLUGGING APPLICATION FORM (PLEASE TYPE FORM and File ONE Copy)

API # 15-071-206550000 (Identifier number of this well). This must be listed for wells drilled since 1967; if no API# was issued, indicate spud or completion date.
WELL OPERATOR Horseshoe Operating, Inc. KCC LICENSE # 4894
WELL OPERATOR Horseshoe Operating, Inc. KCC LICENSE # 4894 /13 ADDRESS 500 W. Texas, Suite 1190 CITY Midland
STATE Texas ZIP CODE 79701 CONTACT PHONE # (915) 683-1448
LEASE Smith WELL# 1 SEC. 32 T. 18 R. 40 KRANK/West)
SE SPOT LOCATION/QQQQ COUNTY Greeley
1325 FEET (in exact footage) FROM S/% (circle one) LINE OF SECTION (NOT Lease Line)
1327 FEET (in exact footage) FROM E/% (circle one) LINE OF SECTION (NOT Lease Line)
Check One: OIL WELL GAS WELL X D&A SWD/ENHR WELL DOCKET#
CONDUCTOR CASING SIZE SET AT CEMENTED WITH SACKS
SURFACE CASING SIZE 8-5/8 SET AT 267 CEMENTED WITH 175 SACKS
PRODUCTION CASING SIZE 4-1/2 SET AT 2965 CEMENTED WITH 475 SACKS
LIST (ALL) PERFORATIONS and BRIDGEPLUG SETS: 2911-19'; 28-32'; 48-51'
ELEVATION 3623.6 T.D. 2977 PBTD 2954 ANHYDRITE DEPTH (Stone Corral Formation)
CONDITION OF WELL: GOOD X POOR CASING LEAK JUNK IN HOLE
PROPOSED METHOD OF PLUGGING Pump dwn csg., 100# cottonseed hulls w/150 sxs +- 60/40
poz mix w/6% gel. Pressure to 750#, SI 24 hrs., and cut off csg., 3' below
ground level. (If additional space is needed attach separate page)
(If additional space is needed attach separate page)
IS WELL LOG ATTACHED TO THIS APPLICATION AS REQUIRED? X IS ACO-1 FILED? X
If not explain why?
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.
LIST NAME OF COMPANY REPRESENTATIVE AUTHORIZED TO BE IN CHARGE OF PLUGGING OPERATIONS
S. L. Burns PHONE# (915) 683-1448
ADDRESS 500 W. Texas, Suite 1190 city/State Midland, Tx 79701
PLUGGING CONTRACTOR Allied Cementing KCC LICENSE # (company name) (contractor; p)
ADDRESS Box 31 Russel, KS 67665 PHONE # 913) 483-2627
PROPOSED DATE AND HOUR OF PLUGGING (If Known?)
PAYMENT OF THE PLUGGING FEE (K.A.R. 82-3-118) WILL BE GUARANTEED BY OPERATOR OR AGENT
DATE: 4/30/97 AUTHORIZED OPERATOR/AGENT: S.A. Busso (signature)



Kansas Corporation Commission

Bill Graves, Governor Timothy E. McKee, Chair Susan M. Seltsam, Commissioner John Wine, Commissioner Judith McConnell, Executive Director David J. Heinemann, General Counsel

NOTICE OF RECEIPT OF WELL PLUGGING APPLICATION (CP-1)

May 8, 1997

Horseshoe Operating Inc 500 W Texas Suite 1190 Midland TX 79701 Smith #1
API 15-071-20,655-000
1325 FSL 1327 FEL
Sec. 32-18S-40W
Greeley County

Dear S. L. Burns,

This letter is to notify you that the Conservation Division is in receipt of your plugging proposal, form CP-1, for the above-captioned well:

Your CP-1 has been reviewed by the Conservation Division central office for completeness and to verify license numbers. The plugging proposal will now be forwarded to the district office listed below for review of your proposed method of plugging.

Please contact the district office for approval of your proposed plugging method at least at five (5) days before plugging the well, pursuant to K.A.R. 82-3-113 (b). If a workover pit will be used during the plugging of the well it must be permitted. A CDP-1 form must be filed and approved prior to the use of the pit.

The Conservation Division's review of form CP-1, either in the central or district office, does not include an inquiry into well ownership or the filing operator's legal right to plug the well.

This notice in no way constitutes authorization to plug the above-captioned well by persons not having legal rights of ownership or interest in the well. This notice is void after ninety (90) days from the above date.

Sincerely,

David P. Williams

Production Supervisor

District: #1
304 W. McArtor

Dodge City, KS 67801

(316) 225-6760