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

15:159.21740.0000

FORM CP-1 (3/92)

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

APT # 15-159-21,740 (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 __ Smokey Valley Resources KCC LICENSE # 32081 (owner/company name) | CITY Lyons (operator's) ADDRESS 1325 Hwy 56 STATE Kansas ZIP CODE 67554 CONTACT PHONE # (β16) 257-5529 LEASE Watson _____ WELL# 1 SEC. 2 T. 21 R. 6W (East/West) C - E1 - NE - SE SPOT LOCATION/QQQQ COUNTY Rice FEET (in exact footage) FROM(S)/N (circle one) LINE OF SECTION (NOT Lease Line) 660 FEET (in exact footage) FROM/E/W (circle one) LINE OF SECTION (NOT Lease Line) Check One: OIL WELL X GAS WELL D&A SWD/ENHR WELL DOCKET#___ CONDUCTOR CASING SIZE _____ SET AT _____ CEMENTED WITH ___ SURFACE CASING SIZE 8 5/8 SET AT 225 CEMENTED WITH 200 SACKS PRODUCTION CASING SIZE 5 1/2 SET AT 3445 CEMENTED WITH 100 SACKS LIST (ALL) PERFORATIONS and BRIDGEPLUG SETS: Perfs 3368-72, 3382-3408 T.D. 3445 PBTD 3430 ANHYDRITE DEPTH (Stone Corral Formation) CONDITION OF WELL: GOOD X POOR CASING LEAK JUNK IN HOLE PROPOSED METHOD OF PLUGGING _____ ACCORDING TO THE RULES AND REGULATIONS OF THE STATE OF KANSAS. (If additional space is needed attach separate page) IS WELL LOG ATTACHED TO THIS APPLICATION AS REQUIRED? Yes IS ACO-1 FILED? 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: George Saling PHONE# () 316-257-5529 ____City/State___Lyons, KS 67554 ADDRESS 1325 Hwy 56 PLUGGING CONTRACTOR Mike's Testing & Salvage Inc. KCC LICENSE # ___ (contractor !s) (company name) ADDRESS P.O. Box 467 Chase, Kansas 67524 PHONE # () (316) 938-2943 PROPOSED DATE AND HOUR OF PLUGGING (If Known?) ASAP PAYMENT OF THE PLUGGING FEE (K.A.R. 82-3-118) WILL BE GUARANTEED BY OPERATOR OR AGENT AUTHORIZED OPERATOR/AGENT: (signature)

6-26-97

LASSETTER PETROLEUM CORPORATION 2-21-6W 6846 S. CANTON, #711 #1 WATSON C E/2 NE SE TULSA, OK 74136 CONTR STERLING DRILLING CO. CTY RICE	
GEOL	FIELD WELCH-BORNHOLDT ++++
ELV 1561 KB SPO 12/31/83 ISSUED 1552 GL	-+-
LANS	AP 15-159-21,740 8 5/8 " 225/200SX, 5 1/2 " 3445/100SX NO DST'S MICT - CO, PF (PENN CONG) 3368-72 & (MISS) 3382-92, 3402- 08 W/2 SPF, AC 1000G (100 MSR), SWB DWN, SO, SET 2 3/8 " 3367, POP, P 5 BO & 15 MCFGPD, 3/12/84 - COMMINGLED

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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)

June 26, 1997

Smokey Valley Resources 1325 Hwy 56 Lyons KS 67554

Watson #1
API 15-159-21,740
330 FSL 660 FEL
Sec. 02-21S-06W
Rice County

Dear George Saling,

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.

David P. Williams

Production Supervisor

District: #2 130 S. Market Room 2125 Wichita KS 67202-3208 (316) 337-6231