KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL PLUGGING APPLICATION
(please TYPE form and File ONE Copy)

API #: 15-075-2056-00-00 (Identifier Number of this well). This must be listed for wells drilled since 1967; if no API # was issued,

indicate original spud or completion date: 03/26/94

Well Operator: Chesapeake Operating, Inc. KCC License #: 32334

Address: P. O. Box 18496

City: Oklahoma City, OK 73154-0496

State: OK

Zip Code: 73154-0496 Contact Phone: (405) 848-8000

Lease: Osborne Well #: 2-31

Sec. 31 Twp. 23S R. 40

SE NW NW Spot Location / QQQQ County: Hamilton

4030 Feet (in exact footage) From X East / X West (from nearest outside section corner) Line of Section (Not Lease Line)

4030 Feet (in exact footage) From X East / X West (from nearest outside section corner) Line of Section (Not Lease Line)

Check One: Oil Well Gas Well D&A Cathodic Water Supply Well

Conductor Casing Size: Set at: Cemented with: Sacks

Surface Casing Size: 8-5/8 Set at: 326' Cemented with: 185 Sacks

Production Casing Size: 4-1/2 Set at: 2487' Cemented with: 7-0 Sacks

List (ALL) Perforations and Bridgeplug Sets: 2429'-2444'

Elevation: 3343' (X) T.D.: 2487' PBT: Anhydrite Depth: (Stone Corral Formation)

Condition of Well: X Good Poor Casing Leak Junk in Hole

Proposed Method of Plugging (attach a separate page if additional space is needed): Tie onto 4-1/2" casing, pump 300# cotton seed hulls to plug perfs; follow hulls w/135 sx cm to surface, dig out braden head, pump 50 sx cm into 4-1/2"x8-5/8" annulus if possible.

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

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:

Bud Neff Phone: (620) 277-0803

Address: 4332 W. Jones Avenue City / State: Garden City, KS 67846

Plugging Contractor: Allied Cementing Co., Inc. KCC License #: (Contractor’s)

Address: P. O. Box 31, Russell, KS 67665 Phone: ( )

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: 11/19/04 Authorized Operator / Agent: James Reisch

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202
NOTICE OF RECEIPT OF WELL PLUGGING APPLICATION (CP-1)

Chesapeake Operating, Inc.                                            December 10, 2004
PO Box 18496
6200 N Western Ave.
Oklahoma City, OK 73154-0496

Re: OSBORNE #2-31
    API 15-075-20526-00-00
    SENWNW 31-23S-40W, 4030 FSL 4030 FEL
    HAMILTON COUNTY, KANSAS

Dear Operator:

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 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,

[Signature]

David P. Williams
Production Supervisor

District: #1
210 E Frontview, Suite A
Dodge City, KS 67801
(620) 225-8888