KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
WELL PLUGGING APPLICATION  
Please TYPE Form and File ONE Copy

API # i5 - 095-01155-00-00 (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 4/18/55

Well Operator: Merit Energy Company  
KCC License #: 32446

Address: 13727 Noel Road, Ste. 500  
City: Dallas

State: Texas  
Zip Code: 75240  
Contact Phone: (972) 628-1659

Lease: West Spivey Unit (TJADEN D 1)  
Well #: 5  
Sec. 25  
Twp. 30  
S. R. 8  
East [ ] West

NW/SE4  
SW  SE  NW  Spot Location / QQQQ  
County: Kingman

2310  Feet (in exact footage)  
From  [ ] North / [ ] South  
(from nearest outside section corner) Line of Section (Not Lease Line)

1650  Feet (in exact footage)  
From  [ ] East / [ ] West  
(from nearest outside section corner) Line of Section (Not Lease Line)

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

[ ] SWD Docket #  
[ ] ENHR Docket #  
[ ] Other:

Conductor Casing Size:  
Set at:  
Cemented with:  
Sacks

Surface Casing Size: 8-5/8"  
Set at: 183'  
Cemented with: 250  
Sacks

Production Casing Size: 5-1/2"  
Set at: 4424'  
Cemented with: 200  
Sacks

List (ALL) Perforations and Bridgeplug Sets: 4322-28', 4388-94', 4350-60'

Elevation: 1604' (G.L./K.B.)  
T.D.: 4450'  
PBTM:  
Anhydrite Depth: (Stone Corral Formation)

Condition of Well: [ ] Good  
[ ] Poor  
[ ] Casing Leak  
[ ] Junk in Hole

Proposed Method of Plugging (attach a separate page if additional space is needed): See attached P&A proposal.

RECEIVED  
KANSAS CORPORATION COMMISSION  
AUG 11 2005  
CONSERVATION DIVISION  
WICHITA, KS

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

If not explain why? The former operator did not send us any logs for this well.

SIGNATURE

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: Jay Iverson

Merit Energy Company  
Phone: (972) 628-1662  
Address: 13727 Noel Road, Ste. 500  
City / State: Dallas, TX

Plugging Contractor: Quality Well Services  
(Company Name)  
KCC License #: 31925  
(Contractor's)

Address: 401 W. Main St., Lyons, KS 67554  
Phone: (620) 257-2719

Proposed Date and Hour of Plugging (if known?): August 2005, depending on rig availability

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

Date: 08/10/05  
Authorized Operator / Agent:

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

Merit Energy Company
13727 Noel Rd., Ste 500
Dallas, TX 75240

August 11, 2005

Re: WEST SPIVEY UNIT #5
API 15-095-01155-00-00
SWSENW 25-30S-8W, 2310 FNL 1650 FWL
KINGMAN 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,

David P. Williams
Production Supervisor

District: #2
3450 N. Rock Road, Suite 601
Wichita, KS 67226
(316) 630-4000