KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL PLUGGING APPLICATION

API # 15 - 003-24265-00-00 

Well Operator: Meritage KCM Exploration, LLC
KCC License #: 33138

Address: 1050 17th Street Suite 975
City: Denver

State: Colorado Zip Code: 80265
Contact Phone: (303) 534-9513

Lease: Kueser Well #: 26-31 P.O.W.
Sec. 26 Twp. 19 S. R. 19 

County: Anderson

338 Feet (in exact footage) From North / South
2310 Feet (in exact footage) From East / West

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

Conductor Casing Size: Set at:
Surface Casing Size: 8 5/8" 32#
Production Casing Size: 5.5" 15.5#

List (ALL) Perforations and Bridgeplug Sets: 1118'-1122', 1125.5'-1128', 1131'-1133'

Elevation: 1000' T.D.: 1230' PBTI: 1215' Anhydrite Depth: 

Condition of Well: Good Poor Casing Leak Junk in Hole

Proposed Method of Plugging (attach a separate page if additional space is needed): Pump 60/40 Class A/Pozimix cement with 0.5 sacks cotton seed hulls from PBTI to 900'; pump 9.5 ppg bentonite mud from 900' to 1500'; pump 60/40 Class A/Pozimix cement from 1500' to 4' below ground level; cut casing and weld steel plate 4' below ground level; grade surface level.

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

Larry Bryant
Address: 115 North Oak

Plugging Contractor: Consolidated Oil Well Services, Inc.

Address: 1322 S. Grant Chanute, KS 66720

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: 3/18/04 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)

Meritage KCM Exploration, LLC
Independence Plaza
1050 17th Street - Suite 975
Denver, CO 80265

April 13, 2006

Re: KUESER #26-31 POW
    API 15-003-24265-00-00
    NWNWNE 26-19S-19E, 338 FNL 2310 FEL
    ANDERSON 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: #3
1500 W. 7th
Chanute, KS 67220
(620) 432-2300