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

API # 15 - 003-24209-0000 (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: November 11, 2002 .

Well Operator: Meritage KCM Exploration, LLC
(Owner/Company Name) KCC License #: 33138
(Operator's)
Address: 1050 17th Street Suite 975 City: Denver
State: Colorado Zip Code: 80265 Contact Phone: (303) 534 - 9513
Lease: Kincaid Well #: 1-18-23-20 Sec. 18 Twp. 23 S. R. 20 ☑ East ☐ West
SE • NW • SE • NE Spot Location / QQQQ County: Anderson

1899 Feet (in exact footage) From ☑ North ☐ South (from nearest outside section corner) Line of Section (Not Lease Line)
718 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: 20' Cemented with: 4 Sacks
Production Casing Size: 5 1/2" 15.5# Set at: 1194' Cemented with: 250 Sacks
List (ALL) Perforations and Bridgeplug Sets: None


Condition of Well: ☑ Good ☒ Poor ☐ Casing Leak ☐ Junk in Hole

Proposed Method of Plugging (attach a separate page if additional space is needed): Circulate 60/40 Class A/Pozimix cement with 0.5 sacks
cotton seed hulls from PBT 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
City/State: Garnett, Kansas
Phone: (970) 301 - 1411

Consolidated Oil Well Services, Inc.
P.B. 733, Chanute, Kansas 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: 4/27/06 Authorized Operator/Agent: ____________________________
(Signature)

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

May 03, 2006

Re: KINCAID #1-18-23-20
API 15-003-24209-00-00
SENWSENE 18-23S-20E, 1899 FNL 718 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

Conservation Division, Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802
Voice 316.337.6200    Fax 316.337.6211   www.kcc.state.ks.us