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UPDATED / CORRECTED

1/05/05

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

Operator: License # 32294
 Name: Osborn Energy, L.L.C.
 Address: 24850 Farley 21' W & 114' S of: NE SW NW Sec. 8 Twp. 16 S. R. 25 East West
 City/State/Zip: Bucyrus, Kansas 66013
 Purchaser: Akawa Natural Gas, L.L.C.
 Operator Contact Person: Steve Allee
 Phone: (913) 533-9900
 Contractor: Name: Layne Christensen Canada Limited
 License: 32999
 Wellsite Geologist: (s) Rex Ashlock, Dean Seeber, Bill Stout
 Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SLOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)
 If Workover/Re-entry: Old Well Info as follows:
 Operator: _____
 Well Name: _____
 Original Comp. Date: _____ Original Total Depth: _____
 Deepening Re-perf. Conv. to Enhr./SWD
 Plug Back _____ Plug Back Total Depth _____
 Commingled Docket No. 195,304-C (C-28,554)
 Dual Completion Docket No. _____
 Other (SWD or Enhr.?) Docket No. _____

<u>5/21/02</u>	<u>5/22/02</u>	<u>7/24/02</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 121-27635-00-00
 County: Miami (N 38° 40.445', W 94° 40.405')
1764 feet from S / (N circle one) Line of Section
681 feet from E / (W circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE (NW) SW
 Lease Name: Sanders Well #: 3-8
 Field Name: Louisburg
 Producing Formation: (s) Lexington & "Scammon" Coals
 Elevation: Ground: _____ Kelly Bushing: 1058'
 Total Depth: 1082 Plug Back Total Depth: _____
 Amount of Surface Pipe Set and Cemented at 20 Feet
 Multiple Stage Cementing Collar Used? Yes No
 If yes, show depth set None Feet
 If Alternate II completion, cement circulated from 1081
 feet depth to surface w/ 160 sx cmt.

Drilling Fluid Management Plan
 (Data must be collected from the Reserve Pit)
 Chloride content N/A ppm Fluid volume 500+/- bbls
 Dewatering method used evaporation
 Location of fluid disposal if hauled offsite: _____
 Operator Name: _____
 Lease Name: _____ License No.: _____
 Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
 County: _____ Docket No.: _____

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: Jeff Taylor
 For Osborn Energy, L.L.C.
 Title: _____ Date: 1/13/05
 Subscribed and sworn to before me this 13 day of January
2005
 Notary Public: Rex R. Ashlock
 Date Commission Expires: _____

 **REX R. ASHLOCK**
 Notary Public - State of Kansas
 My Appt. Exp. 1-10-07

KCC Office Use ONLY
 Letter of Confidentiality Attached
 If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

56410

Side Two

Operator Name: Osborn Energy, L.L.C. Lease Name: Sanders Well #: 3-8
 Sec. 8 Twp. 16 S. R. 25 East West County: Miami

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: IES / CDL Cmt Bond / GR / CCL (sent w/ this ACO-1)	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:15%;"><input checked="" type="checkbox"/> Log</td> <td style="width:55%;">Formation (Top), Depth and Datum</td> <td style="width:30%;">Sample</td> </tr> <tr> <td></td> <td>Name</td> <td>Top Datum</td> </tr> </table> <p>OH Log(s), Cmt ticket(s), Drlg's Log, etc., sent w/ 1st ACO-1</p>	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	Sample		Name	Top Datum
<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	Sample					
	Name	Top Datum					

CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface	13 1/8"	10 3/4"	32.75	21'	Portland	13	3% CaCl ₂
Production	7 7/8"	5 1/2"	15.50	1081'	"Thixotropic"	160	2% CaCl ₂

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate				
<input type="checkbox"/> Protect Casing				
<input type="checkbox"/> Plug Back TD				
<input type="checkbox"/> Plug Off Zone				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record <i>(Amount and Kind of Material Used)</i>	Depth
4	560-564	200 gal. 15.5 HCl acid 73 sx 20/40 frac sand 40 sx 12/20 frac sand	560-564
4	750-754	450 gal. 15% HCl acid 85.5 sx 20/40 frac sand 24 sx 12/20 frac sand	750-754

TUBING RECORD		Size	Set At	Packer At	Liner Run	Yes	<input checked="" type="checkbox"/> No
		2 7/8"	set at 825' +/-	None			
Date of First, Resumed Production, SWD or Enhr.		Producing Method					
8/2002		Flowing	<input checked="" type="checkbox"/> Pumping	Gas Lift	Other (Explain)		
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity		
	None	Avg. 19.23	Avg. 136.4		No Oil		

Disposition of Gas METHOD OF COMPLETION Production Interval

Vented Sold Used on Lease
 Open Hole Perf. Dually Comp. Commingled 560-564
 Other (Specify) _____ 750-754