

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Form ACO-1
September 1999
Form Must Be Typed

ORIGINAL

Operator: License # 4485
Name: Verde Oil Company
Address: 8700 Crownhill, Suite 800
City/State/Zip: San Antonio, TX 78209-1197
Purchaser: Bluestem Pipeline, LLC
Operator Contact Person: Jeffrey L. Dale
Phone: (620) 754-3800
Contractor: Name: McPherson Drilling
License: 5675
Wellsite Geologist: Jeffrey L. Dale

RECEIVED

OCT 12 2004

KCC WICHITA

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. _____
☐ Dual Completion ☐ Docket No. _____
☐ Other (SWD or Enhr.?) ☐ Docket No. _____

February 5, 2004 February 6, 2004 March 18, 2004
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 133-26029-0000
County: Neosho
C SE NE SW Sec. 25 Twp. 29 S. R. 17 ☒ East ☐ West
1650 feet from S N (circle one) Line of Section
2970 feet from E W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) NE SE NW SW
Lease Name: Thornton Well #: 23-25
Field Name: Thayer

Producing Formation: Cherokee coals
Elevation: Ground: 902' Kelly Bushing: NA
Total Depth: 924' Plug Back Total Depth: 876'
Amount of Surface Pipe Set and Cemented at 22 Feet
Multiple Stage Cementing Collar Used? ☐ Yes ☒ No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 892
feet depth to 0 w/ 130 sx cmt.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content 100 ppm Fluid volume 80 bbls
Dewatering method used _____

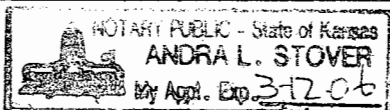
Location of fluid disposal if hauled offsite: _____

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: [Signature]
Title: Geologist Date: October 7, 2004
Subscribed and sworn to before me this 07 day of October,
20 04.
Notary Public: [Signature]
Date Commission Expires: 3-12-06



KCC Office Use ONLY

☐ Letter of Confidentiality Received
If Denied, Yes ☐ Date: _____
☒ Wireline Log Received
☒ Geologist Report Received
☐ UIC Distribution

Operator Name: Verde Oil Company Lease Name: Thornton Well #: 23-25
 Sec. 25 Twp. 29 S. R. 17 ☒ East ☐ West County: Neosho

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 ☐ Yes ☒ No
 (Attach Additional Sheets)

Samples Sent to Geological Survey ☐ Yes ☒ No

Cores Taken ☐ Yes ☒ No

Electric Log Run ☒ Yes ☐ No
 (Submit Copy)

List All E. Logs Run:

Dual Porosity - Guard, Density - Neutron, Differential Temperature, Gamma Ray - Neutron - Casing Collar

☒ Log Formation (Top), Depth and Datum ☐ Sample
 Name Top Datum
 Base of Kansas City 285' +617'
 Pawnee 510 +392'
 Oswego 582' +320'
 Bartlesville 822' +80'

CASING RECORD ☒ New ☐ 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 casing	11"	8-5/8"	23	22'	A Portland	12	50/50 poz
Production casing	6-3/4"	4-1/2"	9.5	892'	A Portland	130	50/50 poz, 2% gel
							5% gilsonite, 1/4# sx salt

ADDITIONAL CEMENTING / SQUEEZE RECORD

Purpose: ☐ Perforate ☐ Protect Casing ☐ Plug Back TD ☐ Plug Off Zone	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
3	606' - 612' 19 shots	Acidize w/250 gal. 15% HCL. Frac w/4000#	606' - 623'
3	618' - 623' 16 shots	20-40 sand & 4000# 12-20 sand, 20# gel	
		system, 2% KCL, 457 bbl water @ 12 BPM	

TUBING RECORD	Size	Set At	Packer At	Liner Run
	2-3/8"	749'	NA	☐ Yes ☒ No
Date of First, Resumerd Production, SWD or Enhr. March 18, 2004	Producing Method ☐ Flowing ☒ Pumping ☐ Gas Lift ☐ Other (Explain)			
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio Gravity
	0	58	42	NA NA

Disposition of Gas METHOD OF COMPLETION Production Interval

☐ Vented ☒ Solid ☐ Used on Lease
 (If vented, Submit ACO-18.)

☐ Open Hole ☒ Perf. ☐ Dually Comp. ☐ Commingled
☐ Other (Specify)