

McCoy Petroleum Corporation

8080 E. Central, Suite 300

Wichita, Kansas 67206

316-636-2737

KCC

OCT 15 2004

CONFIDENTIAL

WELL REPORT

McCoy Petroleum Corporation

Holgerson-Twyman #4-3

E/2 NW NW

Section 3-30S-9W

Spivey-Grabs Field

Kingman County, Kansas

API# 15-095-21,901

#821 (04-20)

Spud Date: 07-17-04

Zenda Prospect

Contractor: Sterling Drilling Company, Rig #4

Geologist: Corey Baker

Elevations: 1645' GL 1654' KB (All measurements from KB)

07-17-04 MIRT. Rig up. Spud @ 3:30 PM. Drilled 12-1/4" hole to 235'. Ran 5 joints of new 23# 8-5/8" OD surface casing. Set @ 230'. Acid Services cemented with 225 sacks of 60/40 Pozmix, 3% cc, 1/4# Celloflake per sack. Cement circulated. PD @ 9:15 PM. Strapped bottom 3 joints and tacked collars on next 2 joints.

07-18-04 Drilling @ 340'.

07-19-04 Drilling @ 1720'.

07-20-04 Drilling @ 2520'.

07-21-04 Drilling @ 3240'. Displaced mud at 3109'.

07-22-04 Drilling @ 3850'. Nicholas hauled 240 bbls off of reserve pit.

07-23-04 Drilling @ 4219'. Short trip at 4200'.

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SAMPLE TOPS

Structure compared to

McCoy Petroleum
Holgerson-Twyman #4-3
E/2 NW NW
Sec. 3-30S-9W
Elev: 1654' KB

McCoy Petroleum
Holgerson-Twyman #1
C SE NW
Sec. 3-30S-9W
Elev: 1645' KB

McCoy Petroleum
Whitmer "Z" #1-4
E/2 E/2 NE
Sec. 4-30S-9W
Elev: 1649' KB

Heebner	3357 (-1703)	-17	Flat
Lansing	3582 (-1928)	No Log	- 9
Stark	3952 (-2298)	No Log	- 3
Cherokee	4184 (-2530)	- 5	- 4
Mississippian	4232 (-2578)	- 6	+ 8
RTD	4262 (-2608)		

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Mississippian Chert 4232-4252': Chert; white to light brown, mostly tripolitic. Fair to good pin-point porosity and scattered poor vugular porosity. Good show gas bubbles. Dull pin-point fluorescence. Trace of free oil. Patchy light oil stain. Poor to fair odor. 88 unit gas kick.

DST #1 4238-4252' (Mississippian)

Open 30", SI 60", Open 60", SI 90"

Strong blow, OBB/3" on 1st open period.

Strong blow, OBB/15 seconds, with gas to surface in 17" on 2nd open period.

Gauge 8,950 CFGPD in 25 through 45"

" 11,020 CFGPD in 50" and 60"

Recovered 65' of slightly gas cut mud.

FP 15-25# 18-37#

ISIP 686# FSIP 710#

07-24-04 TD 4262'. Trip out of hole for DST #2. Deviation 1 1/2° @ 4252'.

Mississippian Chert 4252-4262': Chert; white to light brown, mostly tripolitic. Fair to good pin-point and scattered vugular porosity. Light brown patchy to even oil stain. Bright patchy fluorescence. Scattered pin-points of free oil. Trace of gas bubbles. Good odor. 90+ unit gas kick.

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DST #2 4239-4262' (Mississippian)
Open 30", SI 60", Open 60", SI 90"
Strong blow. Gas to the surface in 10 minutes.
Gauge 57,300 CFGPD in 15" on 1st open period.
" 69,400 CFGPD in 20" "
" 79,700 CFGPD in 25" "
" 83,200 CFGPD in 30" "
Gauge 79,700 CFGPD in 10" on 2nd open period.
" 100,000 CFGPD in 20" "
" 107,000 CFGPD in 30" "
" 109,000 CFGPD in 40" "
" 113,000 CFGPD in 50" "
" 113,000 CFGPD in 60" "
Recovered 125' of gas cut mud (20% gas, 80% mud).
FP 33-58# 41-77#
ISIP 715# FSIP 706#

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Run Log Tech Radiation Guard Log behind DST.

ELECTRIC LOG TOPS

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McCoy Petroleum
Holgerson-Twyman #1
C SE NW
Sec. 3-30S-9W
Elev: 1645' KB

McCoy Petroleum
Whitmer "Z" #1-4
E/2 E/2 NE
Sec. 4-30S-9W
Elev: 1649' KB

Heebner	3355 (-1701)	-15	+ 2
Lansing	3580 (-1926)	No Log	- 7
Stark	3948 (-2294)	No Log	+ 1
Cherokee	4182 (-2528)	- 3	- 2
Mississippian	4234 (-2580)	- 8	+ 6
LTD	4260 (-2606)		

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07-25-04 RTD 4262'. LTD 4260'. Ran 100 joints of new 4½" OD, 10.5#, R-3 Maverick production casing. Set 1' off bottom @ 4259'. Shoe joint = 43.42'. Top of shoe joint @ 4215.58'. Centralizers on collars 1, 3 & 5. RU Acid Services. Pumped 20 bbl. salt flush, 3 bbl. water, 12 bbl. mud flush and 3 bbl water. Cemented with 125 sx of AA-2 cement with 5% Calset, 10% salt, 0.1% defoamer, 0.8% FLA-322, 5# gilsonite/sk. 0.25% CFRM and 0.75% Gasblock.. Yield 1.44 ft³/sk. Good circulation. Lift pressure 500#. Land plug @ 1500#. Float held. Plug down @ 10:00 AM 07/25/04. Plugged rathole with 15 sacks and mousehole with 10 sacks of 60/40 pozmix, 2% gel. Rig released @ 11:00 AM. **WOCT**.

COMPLETION REPORT

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08-06-04 MICT. TIH with tubing and bit. Tagged top of plug at 4215'.

08-09-04 RU to drill out shoe joint. Bit jammed while drilling plug. TOH with tubing and bit. Cleaned metal from latch down plug from bit. TIH with tubing and bit. Drill out to 4256'. Circulate hole clean. TOH with tubing and bit.

08-10-04 RU Log-Tech. Ran GR-CCL-CBL log. Good cement bond. Swabbed down casing and **perforated Mississippian from 4248' to 4252' on first run and from 4238' to 4248' on second run, all 4 SPF, using 'slick' guns**. TIH with tubing and packer. Set packer @ 4190.5'. RU swab. FL 2400' FS. Made hourly test as follows.

Hour	Pulls	BBLs	Comments
1 st	2	4.5BW	Flowing 69 MCF
2 nd	1	dry	Flowing 116 MCF

Flowed well for 4 hours. Final reading was 121 MCF. SION.

08-11-04 SICP 550#. RU swab. FL 3900' FS. Made 1 pull and recovered 0.25 BF. RU Acid Services. Made 1 pull and recovered 0.50 BF. **Acidized with 500 gallons of 10% MIRA acid using 84 ball sealers**. Pumped job at 2 BPM. Initial pressure was 760# and dropped to 660#. Pressure increased from 660# to 760# at the end of the job, indicating good ball action. Overflushed acid with 1 Bbl. TL 30 Bbls. ISIP 200#. On vacuum in 30 seconds. RU swab. FL 500' FS. Made 7 pulls and recovered 16 Bbls. Swabbed dry. Flowing 69 MCF. Released packer. Lower packer and rake ball sealers off of perfs. Reset packer. FL 2700' FS. Made 3 pulls and swabbed dry. Flowing 86 MCF. Flowed well for 1.5 hours. Made 1 pull and recovered 2 BF. Flowing 105 MCF. SION.

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08-12-04 SITP 590#. Blew well down. RU swab. Made 1 pull and well was dry. RU Acid Services. **Fracture treated Mississippian 7 BPM down 2 3/8" tubing with 8,000 gallons of Profrac 20 and 4,500# of 20/40 sand as follows:**

3,000 gal	Pad
1,000 gal	0.5 ppg
4,000 gal	1.0 ppg

Initial wellhead pressure 500#. Loaded hole and began pumping pad at 7 BPM. Pressure increased to 1500#. Pressure decreased to 1300# while pumping sand and then increased to 1800# while pumping flush. ISIP 670#. In 5 minutes, 218#. On vacuum in 9.5 minutes. TL 210 Bbls. Leave well shut-in overnight.

08-13-04 SITP 85#. Blew well down. RU swab. FL 2400' FS. Made hourly test as follows.

Hour	Pulls	BBLs	Comments
1 st	5	16.0 BW	Good blow after each pull
2 nd	5	15.08	Good blow after each pull
3 rd	6	16.24	Good blow after each pull, Tr of oil
4 th	5	15.08	Good blow after each pull, Tr of oil
5 th		15.08	Well began flowing in heads

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08-14-04 SITP 375#. Blew well down. RU swab. FL 2300' FS.

Hour	Pulls	BBLs	Comments
1 st	3	15.08 BW	Well kicked off slowly.
2 nd		13.92	Switch to separator at end of 2 nd hour.
3 rd		11.6	Flowing, 250+ Mcf.
4 th		11.6	Flowing, 250+ Mcf.
5 th		11.6	Flowing, 250+ Mcf.
6 th		11.6	Flowing, 300+ Mcf.
7 th		11.6	Flowing, 300+ Mcf.
8 th		11.6	Flowing, 300+ Mcf.

Shut in.

08-16-04 SITP 390#. Blew well down. Released packer. Tagged bottom at 4253'. TOH with tubing. With 70 jts out seeing good coating of drilling mud on outside of tubing. Suspect possible casing leak. Re-set packer at 1883' and pressure test casing to 600# and held. Lower packer to 2132' and pressure test casing to 700# and held. Lower packer to 3693' and pressure test casing to 900# and held. Lower packer to 4221' and

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pressure test casing to 700# and held. Left packer at 4221'. Resume swabbing. Did not make any mud. Determined that there is not a casing leak and suspect that mud in annulus may have been picked up from pit when cement in shoe joint was drilled out.

08-17-04 TOH with tubing and packer. Rig up packer with bull plug below and perforated nipple above. TIH with tubing and packer. Set packer above Mississippian perforations. Swabbed fluid from casing annulus to confirm there is no mud/casing leak. SITP 75#. TOH w/tubing and packer. RU casing swab. FL 2700' FS. Made 8 pulls to pit. Recovered 40 BF. Hole volume is 25 bbls. RIH with 20' slotted OEMA, SN. 135 jts of 2 3/8" YB tubing and a 6' & 8' tubing sub. Set 4' off bottom with the MA @ 4249' KB. Start in hole with pump and rods.

08-18-04 RIH with 1" x 10' gas anchor, 2" x 1 1/2" x 12' RWTC pump, 3/4" x 2' pony rod, 168 3/4" rods, 8', 6', 4' 3/4" pony rods, 1 1/4" x 16' polish rod and 1 1/2" x 8' polish rod liner. Waiting on pipeline connection.

09-07-04 Will begin setting tank battery equipment tomorrow.

09-08-04 Set tank battery equipment.

09-09-04 Waiting on roustabouts to make connections.

09-15-04 Surface facilities complete except for water line and fence. Waiting on pipeline connection.

10-05-04 Set meter run.

10-06-04 **Put well on line at 1:00 PM.** Started pumping unit at 3:00 PM.

10-07-04 Gas rate 72 MCF. Will speed up unit.

10-08-04 Produced 68 MCF and 5 BO.

10-09-04 Produced 78 MCF and 0 BO.

10-10-04 Produced 78 MCF and 0 BO.

10-11-04 Produced 76 MCF and 0 BO.

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10-12-04 Produced 76 MCF and 0 BO.

10-13-04 Produced 76 MCF and 0 BO.

10-14-04 Produced 78 MCF and 0 BO.

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