

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

AUG 07 2001

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

CONSERVATION DIVISION
WICHITA, KS

ORIGINAL

Operator: License # 31609
 Name: Priority Oil & Gas LLC
 Address: PO Box 27798
 City/State/Zip: Denver, CO 80227-0798
 Purchaser: Midwest United Energy
 Operator Contact Person: Jessica Trevino
 Phone: (303) 296-3435
 Contractor: Name: Stewart Brothers Drilling
 License: 32765
 Wellsite Geologist: none
 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. _____

| | | |
|-----------------------------------|-----------------|---|
| <u>4/26/01</u> | <u>4/28/01</u> | <u>6/16/01</u> |
| Spud Date or Recompletion Date | Date Reached TD | Completion Date or Recompletion Date |

API No. 15 - 023-20405-0000
 County: Cheyenne
 _____ NW _____ SW _____ NW Sec. 25 Twp. 3 S. R. 42 East West
1864 feet from S (N) (circle one) Line of Section
437 feet from E (W) (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW SW
 Lease Name: Raile Well #: 2-25
 Field Name: Cherry Creek
 Producing Formation: Beecher Island/Niobrara
 Elevation: Ground: 3675 ✓ Kelly Bushing: 3680 ✓
 Total Depth: 1663 ✓ Plug Back Total Depth: 1612 ✓
 Amount of Surface Pipe Set and Cemented at 307 ✓ Feet
 Multiple Stage Cementing Collar Used? Yes No
 If yes, show depth set _____ Feet
 If Alternate II completion, cement circulated from N/A
 feet depth to _____ w/ _____ sx cmt.

Drilling Fluid Management Plan ME 1 84 5.9.02
 (Data must be collected from the Reserve Pit)
 Chloride content 13600 ppm Fluid volume 550 bbls
 Dewatering method used Evaporate
 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: Amy Dickman
 Title: Admin Asst Date: 7/20/01
 Subscribed and sworn to before me this 20th day of July, 2001
 Notary Public: [Signature]
 Date Commission Expires: 3/29/05

KCC Office Use ONLY

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

KCC

X

Side Two

Operator Name: Priority Oil & Gas LLC Lease Name: Raile Well #: 2-25
 Sec. 25 Twp. 3 S. R. 42 East West County: Cheyenne

CONSERVATION DIVISION
WICHITA, KS

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:

CNL-Density
Induction-SP-GR
Cement Bond

Log Formation (Top), Depth and Datum Sample
 Name Top Datum
 Niobrara
 Beecher Island 1486' 2194 mls

| 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 | 9 7/8 in | 7 in | 24 # | 307 | Reg | 90 | 3%cc, 1/4#sk flocele |
| Production | 7 7/8 in | 4 1/2 in | 10.5 # | 1654 | 50/50 Pozmix | 100 | 2% gel, 10% salt |
| | | | | | | | |

| 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 (Amount and Kind of Material Used) | Depth |
|----------------|---|---|-------|
| 1 | 1500-1520 | 500 gal, 7.5% HCl, CO2 foam frac w/ | 1500- |
| | | 71,681 20/40# 21,200 12/20# | 1530 |
| 2 | 1520-1530 | | |
| | | | |

| TUBING RECORD | | Size | Set At | Packer At | Liner Run |
|---|-----------|---------|---|---------------|--|
| none | | | | | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Date of First, Resumed Production, SWD or Enhr. | | | Producing Method | | |
| | | | <input checked="" type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) | | |
| Estimated Production Per 24 Hours | Oil Bbls. | Gas Mcf | Water Bbls. | Gas-Oil Ratio | Gravity |

Disposition of Gas METHOD OF COMPLETION Production Interval

Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled
 (If vented, Sumit ACO-18.) Other (Specify) _____

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KANSAS CORPORATION COMMISSION

AUG 01 2001

CONSERVATION DIVISION
WICHITA, KS

Ticket

DELIVERY TICKET

ST. FRANCIS SAND

No. 000000

AND

Redi-Mix

P. O. Box 281 ST. FRANCIS, KS. 67756

Phone
332-3123

REDI-MIX CONCRETE
EXCAVATING

ORIGINAL

Date 4-27-01

PROJECT: 2-25 Rail

SOLD TO: Priority R. Bus

ADDRESS:

| | |
|----------------|---|
| Time Loaded | It is agreed that free unloading time shall be 15 minutes for each first cubic yard and 10 minutes for each yard thereafter. A charge of \$1.00 for each 10 minutes excess time will be made. Delivery inside curb line made only at risk of purchaser. No damage claims considered without proof of driver negligence. |
| Time Delivered | |
| Time Released | |
| Time Returned | |
| Rec'd by | <i>[Signature]</i> |

| Truck No. | Driver | Quantity | Price | Amount |
|---------------|-----------|-------------|---------|--------|
| | | 117.50 | 7.50 | 175.00 |
| Mix | Slump | Total Miles | Mileage | |
| 117.50 | S - M - D | 12 = 10 | | 37.25 |
| Gals Added | | | | 40.00 |
| Authorized By | | | | 0 |
| | | | | 531.25 |
| Cash | Charge | Sales Tax | | |
| | | | | 27.36 |
| | | Total | | 838.41 |

ORIGINAL

RECEIVED
KANSAS CORPORATION COMMISSION

AUG 01 2001

Ticket

DELIVERY TICKET

ST. FRANCIS SAND

No. 008999

CONSERVATION DIVISION
WICHITA, KS

AND
Redi-Mix

P. O. Box 281 ST. FRANCIS, KS. 67756

REDI-MIX CONCRETE
EXCAVATING

Phone
332-3123

Date 4-26-01

PROJECT: JS-441

SOLD TO: Howard Brothers Drilling

ADDRESS: Raibe 2-25

Time Loaded:
Time Delivered:
Time Released:
Time Returned:

It is agreed that free unloading time shall be 15 minutes for each first cubic yard and 10 minutes for each yard thereafter. A charge of \$1.00 for each 10 minutes excess time will be made.

Delivery inside curb line made only at risk of purchaser. No damage claims considered without proof of driver negligence.

Rec'd by [Signature]

| Truck No. | Driver | Quantity | Price | Amount |
|--|---------------|-------------|---------------|---------------|
| | | <u>9.25</u> | <u>75.00</u> | <u>675.00</u> |
| Mix | Stamp | Total Miles | Mileage | |
| <u>9.25</u> | <u>S-M-D</u> | <u>12</u> | <u>2.12</u> | <u>23.20</u> |
| Added Water Reduces Strength & durability. | | | | |
| Gals Added | Authorized By | | | <u>50.00</u> |
| | | <u>138</u> | | |
| Cash | Charge | Sales Tax | | |
| | | | <u>51.76</u> | |
| | | Total | <u>701.90</u> | |

DAILY DRILLING REPORT
NIORRARA DEVELOPMENT WELL

COPY

| | | | | |
|--|-----------------------------------|--------------------------------|-----------------------------|------------------------------|
| WELL NAME 2-25 Raile | 24 HR PROG 1360 | TMO 1365 | TVD - | REPT 2-2-01 |
| SUPERVISOR Walt Smith | RIG NAME & # Stewart 51 | FIELD NAME Cherry Co | AUTH ID 1800 | DAILY LANG \$ |
| CURRENT STATUS Drilling 6 1/4 hole | | | | DAILY INT \$ |
| 24 HR FORECAST Drill to TD, Log | | | | DAILY TOTAL 324755 |
| LITHOLOGY 3d sh, chalk | LAST CASING 7 | IN @ 307 FT | NEXT CASING 4 1/2 | CUM LANG \$ |
| | | | | AUTH COST \$ |

| MUD DATA | | ADDITIVES | | QTY | BIT RUN DATA | | | | PUMP DATA | | | |
|---------------|------------|-----------|------------------|-----------|--------------|--------------|--------------|---------------|------------|------------|--------------|------------|
| DENS (lb/gal) | 9.3 | | Gel | 17 | BIT # | 1 | 2 | BIT # | 1 | 2 | STROKE | 10 |
| VIS (sec/gal) | 41 | | Polymer | 1 | SIZE (in) | 9 7/8 | 6 1/4 | DEPTH IN | 5 | 310 | LINER | 5 |
| WL API | NC | | Pingo out | 1 | MFR | NA | Moak | DEPTH OUT | 310 | - | SPM | 72 |
| PH | - | | | | TYPE | NA | Drag | WOB (lb) | 240 | 412 | OUTPUT (gpm) | 390 |
| | | | | | SERIAL # | NA | - | RPM (rev/min) | 60 | 110 | PRESS (psi) | 200 |
| | | | | | RETS 1/2/3 | 18 | 18 | 18 | | | | |

| FROM | TO | HOURS | OPERATIONS SUMMARY |
|------|------|-------|---|
| 0000 | 0330 | 3 1/2 | MIRV Notify Rich Williams, KCC, 4-23-01, 08:25 |
| 0330 | 0500 | 1 1/2 | Mix mud - Builds Volume |
| 0500 | 0900 | 4 | Drilling 5 - 310' KB Shale @ 265' |
| 0900 | 0915 | 1/4 | Circulate @ 310' KB |
| 0915 | 1030 | 1 1/4 | TOOK TMS Wiper Trip |
| 1030 | 1045 | 1/4 | Circulate @ 310' KB |
| 1045 | 1130 | 3/4 | T D O N |
| 1130 | 1200 | 1/2 | Rig up to run casing |
| 1200 | 1500 | 3 | Ran 14 JTs (301.94') Used 7" 17# H-40 10rd STC Openended Casing w/1 Centralizer landed @ 307' KB. |
| 1500 | 1530 | 1/2 | Circulate casing @ 307' KB. |
| 1530 | 1600 | 1/2 | Pump 7 Bbl Fresh water preflush, 905x regular w/3% CC premixed @ 15.3 PPG. Displaced w/11.6 Bbl Mud & Circ 2 Bbl Cement to Surface. Cement in place @ 16:00 |
| 1600 | 2400 | 8 | WOC |
| 2400 | 0700 | 7 | Drilling 310 - 1365' KB Rig 9 7/8 hole 9150 Dig Pits 200 handle 249 200 Rig 6 1/4 hole 13715 Rd + Loc 200 PLC 565 Rig new WTR 375 WTR Source 250 Kevia 100 |

24 HR SUMMARY
MIRV, drill surf hole, run & cmt surf casing
WOC, drill

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DAILY DRILLING REPORT
 NIOBRARA DEVELOPEMENT WELL

COPY

| | | | | | |
|--------------------------|-----------------------------------|----------------------------|-------------------|--------------------|------------------|
| WELL NAME 2-25 Raille | 24 HR PROG 303 | TMD 1663 | IWD — | REPI # 2 | DATE 1-28-02 |
| SUPERVISOR Walt Smith | RIG NAME & # Stewart 59 | FIELD NAME Cherry Cr | AUTH TD 1800 | DAILY TANG \$ | CUM TANG \$ |
| CURRENT STATUS WOC | 4 1/2 Prod C59 | | DAILY INT \$ | DAILY INTANG \$ | CUM INTANG \$ |
| 24 HR FORECAST WOC | | | DAILY TOTAL \$ | DAILY TOTAL \$ | CUM COST \$ |
| ITR GEOLOGY Sh Chalk | LAST CASING 4 1/2 IN @ 1654 FT | NEXT CASING — IN @ — FT | AFE # — | AFE # — | AUTH COST \$ |

| MUD DATA | | ADDITIVES | | QTY | | BIT RUN DATA | | | | PUMP DATA | |
|--------------|-----|-----------|-------------|-----|-----------|--------------|-----------|------|--------------|-----------|--|
| DENS (PPG) | 8.9 | 8.8 | KCE | 105 | BIT # | 2 | BIT # | 2 | STROKE | 10 | |
| VIS (sec/ft) | 39 | 34 | Starch | 46 | SIZE (in) | 6 1/4 | DEPTH IN | 310 | LINER | 5 | |
| WL- API | 6.6 | 6.6 | Dropac | 2 | MFR | Moab | DEPTH OUT | 1663 | RPM | 72 | |
| pH | 8.0 | 8.0 | Polymer | 1 | TYPE | Drag | WOB | | OUTPUT (LPM) | 390 | |
| | | | Petrolube | 1 | SERIAL # | — | RPM | | PRESS (PSI) | 175 | |
| | | | Sweet Drill | 2 | RTS 1/2/3 | — | | | | | |
| | | | Soda Ash | 1 | | | | | | | |

| FROM | TO | HOURS | OPERATIONS SUMMARY |
|------|------|-------|---|
| 0700 | 1230 | 5 1/2 | Drilling 1365 - 1663' KB |
| 1230 | 1330 | 1 | Circulate @ 1663' KB |
| 1330 | 1415 | 3/4 | Short Trip 1663 - 1399 |
| 1415 | 1445 | 1/2 | Circulate @ 1663' KB |
| 1445 | 1630 | 1 3/4 | Lay down drill string |
| 1630 | 1800 | 1 1/2 | Schlumberger ran 2-logs: DIL 1654 - 307, CNL-FDC 1644 - 600, Log TD 1662. Beacher Island 1496 - 1530 Ave Res 3 1/2, min 3, max 6 1/2, Ave XO 1496 - 1522 14%, 1522 - 30 17%. |
| 1800 | 2100 | 3 | RAN Prod casing RAN SS float shoe 1.42' on 41 Hz (1648.88') new 4 1/2 10.5 J-55 end STC casing. Total 1650.30' Set @ 1654' KB, PBTD 1612' KB. |
| 2100 | 2200 | 1 | Circulate @ 1654' KB |
| 2200 | 2230 | 1/2 | Pump 10 Bbl - fresh water pre-Hussar, 100 5x regular, premixed @ 15.3 PPG wash out lines, displace latch down plug to a shut off w/ 25.6 Bbl fresh water. Good circ while cmtg, Plug down @ 22:30 Float OK. |

24 HR SUMMARY
 Drill to TD, log, run to CMT Prod C59, hang C59, release rig

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DAILY DRILLING REPORT
 NIOBRARA DEVELOPMENT - WELL

COPY

| | | | | | | |
|---------------------------------|-------------|-----------------------------------|---|------------------------|---------------------------------|------------------------------|
| WELL NAME <i>2-25 Raile</i> | | 24 HR PROG | TMD <i>1663</i> | TVD | REPT # <i>2</i> | DATE <i>4-28-01</i> |
| SUPERVISOR <i>Walt Smith</i> | | RIG NAME & # <i>Stewart 5+</i> | FIELD NAME <i>Cherry Cr</i> | AUTH ID <i>1800</i> | DAILY TANG \$ | CUM TANG \$ |
| CURRENT STATUS | | | | | DAILY INT \$ | CUM INTANG \$ |
| 24 HR FORECAST | | | | | DAILY TOTAL \$ <i>17,723</i> | CUM COST \$ <i>42,478</i> |
| LITHOLOGY | | LAST CASING IN @ FT | NEXT CASING IN @ FT | | AFE # | AUTH COST \$ |
| MUD DATA | | ADDITIVES | QTY | BIT RUN DATA | | PUMP DATA |
| DENS (ppg) | | | | BIT # | | STROKE |
| VIS (sec/qt) | | | | SIZE (in) | DEPTH IN | LINER |
| WL- API | | | | MFR | DEPTH OUT | SPM |
| pH | | | | TYPE | WOB min/max | OUTPUT (gpm) |
| | | | | SERIAL # | RPM | PRESS (psi) |
| | | | | RETS 1/2/3 | min/max | |
| FROM | TO | HOURS | OPERATIONS SUMMARY | | | |
| <i>2230</i> | <i>2300</i> | <i>1/2</i> | <i>Hang casing w/14,500* F/1900s W/ Wellhead. Rig released @ 23:00.</i> | | | |
| <i>2300</i> | <i>-</i> | | <i>Rigging down</i> | | | |
| | | | <i>Rig 674 hole</i> | <i>3939</i> | | |
| | | | <i>Rig haul Wte</i> | <i>150</i> | | |
| | | | <i>Rig DW 1/2hr</i> | <i>138</i> | | |
| | | | <i>Wellhead</i> | <i>575</i> | | |
| | | | <i>Schlumberger</i> | <i>4000</i> | | |
| | | | <i>Float Equip</i> | <i>775</i> | | |
| | | | <i>Handle casing</i> | <i>200</i> | | |
| | | | <i>Casing</i> | <i>6392</i> | | |
| | | | <i>Cement</i> | <i>889</i> | | |
| | | | <i>PLT</i> | <i>565</i> | | |
| | | | <i>Kevin</i> | <i>100</i> | | |
| | | | | <i>17,723</i> | | |
| 24 HR SUMMARY | | | | | | |

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