

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

RECEIVED  
KANSAS CORPORATION COMMISSION  
Form No. 1  
September 1999  
Form Must Be Typed

WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

MAY 18 2001

ORIGINAL  
CONSERVATION DIVISION  
WICHITA, KS

Operator: License # 31609  
 Name: Priority Oil & Gas LLC  
 Address: 633 17th St. Ste 1520  
 City/State/Zip: Denver, CO 80202  
 Purchaser: Enserco Energy  
 Operator Contact Person: Jessica Trevino  
 Phone: (303) 296-3435  
 Contractor: Name: Excell Drilling Company  
 License: 8273  
 Wellsite Geologist: none  
 Designate Type of Completion:  
 New Well  Re-Entry  Workover  
 Oil  SWD  SIOW  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>1-5-01</u>	<u>1-6-01</u>	<u>1-26-01</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15- 023-20377-0000  
 County: Cheyenne  
 SW -SW-SE- Sec. 17 Twp. 4 S. R. 40  East  West  
330 feet from  N (circle one) Line of Section  
225 feet from  W (circle one) Line of Section  
 Footages Calculated from Nearest Outside Section Corner:  
 (circle one) NE  SE NW SW  
 Lease Name: Schultz Well #: 2-17  
 Field Name: Cherry Creek  
 Producing Formation: Niobrara  
 Elevation: Ground: 3530 Kelly Bushing: 3536  
 Total Depth: 1452 Plug Back Total Depth: 1394  
 Amount of Surface Pipe Set and Cemented at 315 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 ALT 1 gk 7/15/02  
 (Data must be collected from the Reserve Pit)  
 Chloride content 12,600 ppm Fluid volume 2000 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: Robbie Gries  
 Title: President Date: May 9, 2001  
 Subscribed and sworn to before me this 9th day of May  
2001  
 Notary Public: [Signature]  
 Date Commission Expires: 3/29/06

**KCC Office Use ONLY**

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

Operator Name: Priority Oil & Gas LLC Lease Name: Schultz Well #: 2-17  
 Sec. 17 Twp. 4 S. R. 40  East  West County: Cheyenne **ORIGINAL**

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 1255 2281

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CONSERVATION DIVISION  
 WICHITA, KS

CASING RECORD <input 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	# Sacs Used	Type and Percent Additives
Surface	9 7/8	7"	24#	315	Reg	130	3% cc 1/4#sk flocele
Production	7 7/8	4 1/2"	10.5#	1450	50-50 Pozmix	75	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	1258-1292	500 gal 7.5% HCl	
2	n/a	Foam Frac w/ 50000 20/40 and 37720 10/20	

TUBING RECORD	Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	none			

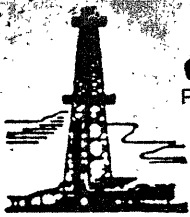
Date of First Resumed Production, SWD or Enhr.	Producing Method
8-6-01	<input checked="" type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)

Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity

Disposition of Gas  Vented  Sold  Used on Lease (If vented, Sumit ACO-18.)

METHOD OF COMPLETION  Open Hole  Perf.  Dually Comp.  Commingled  Other (Specify)

Production Interval 1258'-1292'



**CEMENTER'S WELL SERVICE, INC.**  
 P.O. BOX 336220 • GREELEY, CO 80633 • (970) 353-7299 • FAX (970) 353-7712

OUR INVOICE NO. 181274

ORIGINAL

PRIORITY

Date	1-7-2001	Well Owner	OIL+GAS LLC	Well No.	#2-17	Lease	SCHULTZ
Country	CHEYENNE	State	KANSAS	Field		Charge Code	
Charge to	PRIORITY OIL+GAS LLC					For Office Use Only	
Address	633 17th St, SUITE 1520						
City, State	DENVER, COLORADO 80203						
Pump Truck No.	1204	Code		Bulk Truck No.	1213	Code	
Type of Job		Depth		Ft.	1452	To	
Surface		Bottom of Surface		Ft.		To	
Plug		Plug Landed @	1390	Ft.	Time On	1845 P.M.	
Production	4 1/2" CASING-10.5"	Pipe Landed @	1435	Ft.	Time Off	2030 P.M.	

Reference No.	Description	Qty.	Meas.	Unit Price	Amount
	Pump Truck Charge				
	Cement Near				
	Poz. Mix ✓ 50/50	75	SKS		4100.00
	Calcium Chloride 10% - A/T				
	Gel 2 % Flo-Cele #Per Sack				
	Handling Charge				
	Hauling Charge				
	Additional Cement				
4 1/2"	CENTRALIZERS	5			
	AFUL SHOE	1			
	LATCH DOWN PLUG	1			
	MIXING RATE 4 BPM - DISPLACEMENT RATE 6 LPM				
	CURRY VOL. 1.26 CU FT. / SK - CURRY WT. 14.2 PPL				

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Remarks:	Tax Reference Code	Sub Total	4100.00
PUMP TRUCK W/ 10 BBL'S H <sub>2</sub> O	State Ks. 4.9%	Tax	200.90
DISPLACE W/ 22.1 BBL'S KCL	Disc.	Total	4300.90
LANDED PLUG W/ 2000 PSI			

Truck No.	Code	State Mileage	Nebraska	Colorado	Wyoming	Total Mileage
1204		Pump Truck				
1213		Bulk Truck				

We do not assume any responsibility for any damage or conditions resulting from our services. All prices are subject to change without notice.

Delivered By TACK-BILL-CHARLES Received By [Signature]

**DAILY DRILLING REPORT**  
**NIOBARRA DEVELOPMENT WELL**

Schultz 2-F

WELL NAME <b>2-17 Schultz</b>		24 HR PROG <b>1018</b>	IMD <b>1022</b>	IVD —	REPI # <b>1</b>	DATE <b>7/17/01</b>
SUPERVISOR <b>Walt Smith</b>		RIG NAME & # <b>Excell II</b>	FIELD NAME <b>Cherry CR</b>	AUTH ID <b>1600</b>	DAILY TANG \$ —	CUM TANG \$ —
CURRENT STATUS <b>Mud Up</b>		24 HR FORECAST <b>Drill to TD, Log, Run &amp; Cmt Prod Csg</b>			DAILY INT \$ —	CUM INTANG \$ —
LITHOLOGY <b>3d, 5h, clay</b>		LAST CASING <b>7" IN @ 315 FT</b>	NEXT CASING <b>4 1/2" IN @ 1450 FT</b>		DAILY TOTAL \$ <b>18172</b>	CUM COST \$ <b>18172</b>
MUD DATA		ADDITIVES	QTY	BIT RUN DATA	PUMP DATA	

DENS (ppg)	<b>8.9</b>	Gal	<b>24</b>	BIT #	<b>1</b>	BIT #	<b>1</b>	STROKE	<b>5 1/2</b>
VIS (sec/qt)	<b>38</b>	Lime	<b>2</b>	SIZE (in)	<b>9 7/8</b>	DEPTH IN	<b>6</b>	LINER	<b>14</b>
WL- API	<b>NC</b>			MFR	<b>STC</b>	DEPTH OUT	<b>325</b>	SPM	<b>70</b>
pH				TYPE	<b>DTJ</b>	WOB	<b>5.8</b>	OUTPUT (ppm)	<b>290</b>
				SERIAL #	<b>KU5916</b>	RPM	<b>110/140</b>	PRESS (psi)	<b>350</b>
				JETS 1/23	<b>13, 13, 13</b>				

FROM	TO	HOURS	OPERATIONS SUMMARY
0700	1230	5 1/2	MIRU Notify Ed Schumaker, KCC, 1-4-01, 10:10
	1600	3 1/2	Drill 6 - 325 Shale @ 210
	1615	1/4	CIRC @ 325
	1630	1/4	Survey 1° @ 325
	1700	1/2	Trip out
	1815	1 1/4	Run & Cmt Csg. Ran 10 Hs (309.48') Used 7" 20' Bad STC Csg w/ 1 centralizer open-ended jet @ 315' KB. Ran 7 1/2 Bbl Water preflush, Cemented w/ 130 ex req, 3 1/2 cc, 1/4 #15K flocc @ 156 PPG, disp w/ 12 1/2 Bbl Fr Wtr. Circ 2 Bbl Cmt to surf. Cement in place 18:15
1815	0215	8	WOC 5' cmt in 7" Csg
	0645	4 1/2	Drill 325-1022
	0700	1/4	Mud Up
			Rig <b>18165</b>
			Xtra Surf Csg <b>1342</b>
			PCI <b>565</b>
			Kevin <b>100</b>
			<b>18172</b>

24 HR SUMMARY: MIRU, drill surface, Run & Cmt Csg, WOC, drill, mud up

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 JUL 15 2001  
 KCC WICHITA

**DAILY DRILLING REPORT**  
**NIOBARRA DEVELOPMENT WELL**

WELL NAME <b>2-17 Schultz</b>	24 HR PROG	TMD	TVD	REPT #	DATE <b>7/8/01</b>
SUPERVISOR <b>Walt Smith</b>	RIG NAME & # <b>Excel II</b>	FIELD NAME	AUTH ID	DAILY TANG \$	CUM TANG \$
CURRENT STATUS				DAILY INT \$	CUM INTANG \$
24 HR FORECAST				DAILY TOTAL \$	CUM COST \$

LITHOLOGY	LAST CASING IN @ FT	NEXT CASING IN @ FT	AFE #	AUTH COST \$
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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	1 1	OUTPUT (gpm)	
				SERIAL #		RPM		PRESS (psi)	
				JETS 1/2/3		min/max	1 1		

FROM	TO	HOURS	OPERATIONS SUMMARY
2100	0700	10	Rig Released @ 21:00 - Rigging Down
			Rig 5188
			Xtra Ftge 740
			PCI 565
			Kevin 100
			Sessions 150
			Schlumberger 4000
			Cementers 4301
			Casing 5495
			Wellhead 575
			<u>2114</u>
			Rig Day Work hrs 1386
			<u>22500</u>

24 HR SUMMARY

**DAILY DRILLING REPORT**  
**NIOBARRA DEVELOPMENT WELL**

WELL NAME 2-17 Schultz	24 HR PROG 430	TMD 1452	TVD —	REPT # 2	DATE 1/8/01
SUPERVISOR Walt Smith	RIG NAME & # Excel II Merry Cr	FIELD NAME —	AUTH TD 1600	DAILY TANG \$ —	CUM TANG \$ —
CURRENT STATUS Rigging Down	24 HR FORECAST Move to next well			DAILY INT \$ —	CUM INTANG \$ —
LITHOLOGY sh. sd. chalk	LAST CASING 4 1/2 IN @ 1435 FT	NEXT CASING — IN @ — FT	AFE # —	DAILY TOTAL \$ 22500	CUM COST \$ 40672

MUD DATA		ADDITIVES	QTY	BIT RUN DATA		PUMP DATA	
DENS (PPG)	8.6	KCL	70	BIT #	2	STROKE	5 1/2
VIS (sec/qt)	3.3	Starch	35	SIZE (in)	6 1/4	DEPTH IN	14
WL-API	7	Snispac	2	MFR	VII	DEPTH OUT	70
pH	7	Polymer	2	TYPE	L117	WOB (lb)	290
				SERIAL #	150962	RPM	500
				JETS 1/23	14 15.16		

FROM	TO	HOURS	OPERATIONS SUMMARY
0700	0845	1 3/4	Mud Up
	1200	3 1/4	Drill 1022-1452
	1230	1/2	Circ @ 1452
	1300	1/2	Shout trip 1452-1102
	1400	1	Circ @ 1452
	1415	1/4	Survey 1 1/2' @ 1452
	1600	1 3/4	TOO H
	1800	2	Run E-Logs: DIL 1440-316, CNL/FDC 1430-850, Log TD 1448, Beecher Island 1256-1294, Ave Res 5.0, Ave XO 22%
1800	2030	2 1/2	Run & Cmt 4 1/2 Prod Csg Run Fillup Float Shoe (.90') on 32Hs (1429.37) new 4 1/2 10 <sup>5</sup> J-55 8x8 5TC Casing. Total 1430.27' set @ 1435' KB, circ 1/4 hr. Pumped 10 Bbl Fresh water pre flush, mixed 75.5x 50.50 POZ, 20% Gel, 10% Salt @ 14.2 PPG, Wash out lines, Displace Latch down plug w/ 22.1 Bbl 3% KCL water. Float did not hold. Shut in casing for 2 1/2 hr. and bled off. PBT 1394' KB
2030	2100	1/2	Hang csg w/ 12,500# Flange up wellhead

24 HR SUMMARY

Mud Up, drill to TD, Log, Run & Cmt Csg. RD