

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

RECEIVED
KANSAS CORPORATION COMMISSION
Form ACO-1
September 1999
Form Must Be Typed

AUG 01 2001
08-01-01

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>3/17/01</u>	<u>3/19/01</u>	<u>4/18/01</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 023-20376-0000
County: Cheyenne
 _____ SW _____ NW _____ SE _____ Sec. 17 Twp. 4 S. R. 40 East West
1976 feet from (S) N (circle one) Line of Section
2143 feet from (E) W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE (SE) NW SW
 Lease Name: Schultz Well #: 1-17

Field Name: Cherry Creek
Producing Formation: Beecher Island/Niobrara
Elevation: Ground: 3492 Kelly Bushing: 3497
Total Depth: 1385 Plug Back Total Depth: 1332
Amount of Surface Pipe Set and Cemented at 318 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 See 1 B.H. 4-30-02
 (Data must be collected from the Reserve Pit)
Chloride content 14400 ppm Fluid volume 360 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: Janis L. [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

AUG 01 2001

ORIGINAL

Operator Name: Priority Oil & Gas LLC Lease Name: Schultz Well #: 1-17
 Sec. 17 Twp. 4 S. R. 40 East West County: Cheyenne 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)

Log Formation (Top), Depth and Datum Sample
 Name Top Datum
 Niobrara
 Beecher Island 1230' 2267 msl

List All E. Logs Run:

CNL-Density
 Induction-SP-GR
 Cement Bond

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 #	318 <input checked="" type="checkbox"/>	Reg	90	3%cc, 1/4#sk flocele
Production	7 7/8 in	4 1/2 in	10.5 #	1373	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	1234-1259	500 gal, 7.5% HCl, CO2 foam frac w/ 74,160 20/40# 25,000 12/20#	1234- 1269
2	1259-1269		

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 Vented Sold Used on Lease (If vented, Sumit ACO-18.)
 METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled
 Production Interval Other (Specify)

ORIGINAL

3/22

505 287 7660

7-19-01; 4:05PM; STEWART BROTHERS

RECEIVED
KANSAS CORPORATION

AUG 01 2001

CONSERVATION DIVISION
WICHITA, KS

DELIVERY TICKET
ST. FRANCIS SAND
AND

Redi-Mix

P. O. Box 281 - ST. FRANCIS, KS. 67766

REDI-MIX CONCRETE
EXCAVATING

Phone
332-3123

Ticket
No. 008904

Date: 3-19-2001

PROJECT: 1-17 Schultz

SOLD TO: Stewart Brothers Paving

ADDRESS:

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: *Dwight Yurk*

Truck No.	Driver	Quantity	Price	Amount
		90 cu yd	75000	17500
Mix	Slump	Total Miles	Mileage	
	S - M - D	55	210	1155
Added Water Reduces Strength & Durability				
Gals Added	Authorized By			2500
				2500
				5800
Cash	Charge		Sales Tax	
PO # 5M 1275		APR 10 2001		5482
			Total	81937

DAILY DRILLING REPORT
NIOBARRA DEVELOPMENT WELL

WELL NAME 1-17 Schultz	24 HR PROG 80	TMD 405	TVD —	REPT # 2	DATE 3-19-01
SUPERVISOR Walt Smith	RIG NAME & # Stewart 57	FIELD NAME Cherry Cr	AUTH TO 1600	DAILY TANG —	CUM TANG —
CURRENT STATUS Drilling 6 1/4 hole				DAILY INT —	CUM INTANG —
24 HR FORECAST Run to TD, Log Run Csg & Cmt				DAILY TOTAL \$ 13005	CUM COST \$ 13005
LITHOLOGY Sand, Shale	LAST CASING 7 IN @ 318 FT	NEXT CASING 4 1/2 IN @ 1373 FT	AFE # —		AUTH COST —

MUD DATA		ADDITIVES		QTY	BIT/RUN DATA				PUMP DATA		
DENS (ppg)	8.2	Gel	5	BIT #	1	2	BIT #	1	2	STROKE	10
VIS (sec/qt)	38	KCL	75	SIZE (in)	9 1/8	6 1/4	DEPTH IN	5	325	LINER	5
WL - API	8.8	Starch	30	MFR	—	Moab	DEPTH OUT	325	—	SPM	72
pH	~	Dispac	2	TYPE	—	Proq	WOB (min/max)	4.15	5.15	OUTPUT (gpm)	195
		Ring out	1	SERIAL #	—	—	RPM (min/max)	60	100	PRESS (psi)	225
		Polymer	4	RETS 10/3	18	18					

FROM	TO	HOURS	OPERATIONS SUMMARY
0700	1415	7 1/4	Drill 55 - 325' KB Blue Shale @ 175
1415	1500	3/4	Circulate @ 325
1500	1630	1 1/2	TOO H
1630	2100	4 1/2	Run 10 JTS (313.50) used 7" 17" H-40 Bad STC casing open-ended w/ 1 Centralizer landed @ 318' KB. Pumped 7 Bbl fresh water pre flush, 20.5x regular w/ 3% cc premixed @ 1.53 PPG, Displaced w/ 13.5 Bbl mud. Circ 3 Bbl cmt to surface Cement in place @ 21:00.
2100	0250	8	WOC
0300	0700	2	Drilling 325 - 405
			Rig Mob - Demob 1000
			Rig Surf hole 9600
			Rig 6 1/4 hole 1040
			Dig Pits 200
			Rd & Loc 200
			handle Csg 150
			Kevin 100
			PCI 565
			Water 150 / 13005

24 HR SUMMARY
 Drill Surf, Run & Cmt Surf Csg, WOC,
 Drill

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DAILY DRILLING REPORT
NIOBARRA DEVELOPMENT WELL

WELL NAME <i>1-17 Schultz</i>	24 HR PROG <i>980</i>	TMD <i>1385</i>	TVD <i>—</i>	REPT # <i>3</i>	DATE <i>3-20-01</i>
SUPERVISOR <i>Walt Smith</i>	RIG NAME & # <i>Stewart 51</i>	FIELD NAME <i>Sherry Cr</i>	AUTH TO <i>1600</i>	DAILY TANG \$	CUM TANG \$
CURRENT STATUS <i>Run 4 1/2 Casing</i>				DAILY INT \$	CUM INTANG \$
24 HR FORECAST <i>Circ Log, Cement, Land Csg, Release rig</i>				DAILY TOTAL \$ <i>24256</i>	CUM COST \$ <i>37261</i>
LITHOLOGY	LAST CASING IN @ <i>318</i> FT	NEXT CASING IN @ <i>4 1/2</i> IN @ <i>1373</i> FT	AFE #		

MUD DATA	ADDITIVES	QTY	BIT RUN DATA	PUMP DATA
DENS (ppg) <i>8.7</i>	<i>Starch</i>	<i>7</i>	BIT # <i>2</i>	STROKE <i>10</i>
VIS (sec/cf) <i>45</i>	<i>Ring out</i>	<i>2</i>	SIZE (in) <i>6 1/4</i>	LINER <i>5</i>
WL-API <i>6.8</i>	<i>KCL</i>	<i>17</i>	MFR <i>Moab</i>	SPM <i>72</i>
pH	<i>Drispac</i>	<i>1</i>	TYPE <i>Drag</i>	OUTPUT (Kpm) <i>195</i>
			SERIAL #	PRESS (psi) <i>275</i>
			TEST 1023	

FROM	TO	HOURS	OPERATIONS SUMMARY
<i>0700</i>	<i>2215</i>	<i>15 1/4</i>	<i>Drilling 405 - 1385' K10</i>
<i>2215</i>	<i>2300</i>	<i>3/4</i>	<i>Circulate @ 1385</i>
<i>2300</i>	<i>2330</i>	<i>1/2</i>	<i>Short Trip 1385-985</i>
<i>2330</i>	<i>2415</i>	<i>3/4</i>	<i>Circulate @ 1385</i>
<i>2415</i>	<i>0230</i>	<i>2 1/4</i>	<i>Lay down drill string</i>
<i>0230</i>	<i>0415</i>	<i>1 3/4</i>	<i>Ran E-logs; DL 1377-318, CNL-FDC 1367-700', Log TD 1385'. Beecher Island 1232-1269, Ave Res 4 1/2-4 3/4 min 4, max 6, Ave x0 1232-1259 21%, 1259-1269 30%</i>
<i>0415</i>	<i>0700</i>	<i>2 3/4</i>	<i>Ran 4 1/2 Prod Csg. Ran 55 float shoe 1.42' on 34 JTs (1367.44') new 4 1/2 10" J-55, 8ad 5TC Casing, Total 1368.86' set @ 1373' KB</i>
			<i>Schlumberger 4000 Rig 12740</i>
			<i>handle Csg- 200</i>
			<i>float equip 775</i>
			<i>Well head 575</i>
			<i>Casing 5301</i>
			<i>Kevin 100</i>
			<i>PCT 565 / 11514</i>

24 HR SUMMARY
Drilled to TD, Lay down, Log, run Prod Csg

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