

ORIGINAL

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

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 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>2/6/01</u>	<u>2/8/01</u>	<u>4/15/01</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 023-20389-0000
 County: Cheyenne
 S/2 S/2 SE Sec. 8 Twp. 4 S. R. 40 East West
330 feet from (S) N (circle one) Line of Section
1340 feet from (E) W (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE (SE) NW SW
 Lease Name: Lauer Trust Well #: 1-8
 Field Name: Cherry Creek
 Producing Formation: Beecher Island/Niobrara
 Elevation: Ground: 3460 Kelly Bushing: 3466
 Total Depth: 1450 Plug Back Total Depth: 1379
 Amount of Surface Pipe Set and Cemented at 306 ✓ 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 Aug 1 EH 4:30-02
 (Data must be collected from the Reserve Plt)
 Chloride content: 13400 ppm Fluid volume: 2100 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.: _____

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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: Jen Sato
 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

ORIGINAL

Side Two

Operator Name: Priority Oil & Gas LLC Lease Name: Lauer Trust Well #: 1-8
 Sec. 8 Twp. 4 S. R. 40 East West County: Cheyenne

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 **RECORDED** 2255 msl
 KANSAS CORPORATION COMMISSION

AUG 01 2001

CONSERVATION DIVISION
 WICHITA, KS

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 #	306 ✓	Reg	130	3%cc, 1/4#sk flocele
Production	7 7/8 in	4 1/2 in	10.5 #	1420	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
___ Perforate				
___ Protect Casing				
___ Plug Back TD				
___ Plug Off Zone				

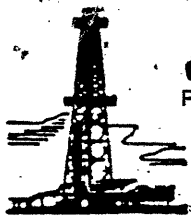
Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)				Depth
1	1217-1242	500 gal, 7.5% HCl, CO2 foam frac w/				1217-
		75,020 20/40#	25,000	12/20#		1252
2	1242-1252					

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 Flowing Pumping Gas Lift 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) _____



CEMENTER'S WELL SERVICE, INC.

P.O. BOX 336220 • GREELEY, CO 80633 • (970) 353-7299 • FAX (970) 353-7712

OUR INVOICE # 181388

Date <u>2-6-01</u>	Well Owner <u>Priority Oil + Gas</u>	Well No. <u>1-8</u>	Lease <u>Lauer Trust</u>
Country <u>Cheyenne</u>	State <u>Kansas</u>	Field	
Charge to <u>Excell Drilling</u>	Charge Code		For Office Use Only
Address <u>Rig #2</u>	For Office Use Only		
City, State <u>Wray, Co.</u>	For Office Use Only		
Pump Truck No. <u>1205</u>	Code	Bulk Truck No. <u>1211</u>	Code
Type of Job	Depth	Ft. <u>325</u>	To
<u>Surface</u> <u>7"</u>	Bottom of Surface	Ft. <u>306</u>	To
Plug	Plug Landed @ <u>286</u> Ft.	Time On <u>2300</u>	
Production	Pipe Landed @ <u>306</u> Ft.	Time Off <u>Plug down 0030</u>	

Reference No.	Description	Qty.	Meas.	Unit Price	Amount
	Pump Truck Charge				
	Cement Near ✓	<u>130</u>	<u>sks</u>		
	Poz. Mix				
	Calcium Chloride	<u>3%</u>			
	Gel % Flo-Cele <u>1/4</u> #Per Sack				
	Handling Charge				
	Hauling Charge				
	Additional Cement				
	<u>7" centralizer</u>	<u>1</u>			
	Mixing rate - 4bpm, Displacement rate - 10bpm Slurry volume - 1.18 cu. ft./sk, slurry wt. - 15.2ppg				

Remarks: <u>Pre flush w/ 10 1/2 bbls H₂O</u>	Tax Reference Code	Sub Total
<u>Displace w/ 11 1/2 bbls H₂O</u>	State %	Tax
<u>Circ. 3 1/2 bbls cement</u>	Disc.	Total

Truck No.	Code	State Mileage	Nebraska	Colorado	Wyoming	<u>Kansas</u> Other	Total Mileage
<u>1205</u>		Pump Truck				<u>96</u>	
<u>1211</u>		Bulk Truck				<u>96</u>	

We do not assume any responsibility for any damage or conditions resulting from our services. All pricing is subject to review and revision.

Delivered By Sid-Jessie-Troy

Received By Tom Spruill
Customer or His Agent

DAILY DRILLING REPORT
NIORARA DEVELOPMENT WELL

WELL NAME 1-B Lower Trust	24 HR PROG 319	TMD 325	TVD -	REPT # 1	DATE 2-7-01
SUPERVISOR Walt Smith	RIG NAME & # EXCELL #	FIELD NAME Cherry CR	AUTH TO 1600	DAILY TANG \$	CUM TANG \$
CURRENT STATUS WOC Surface Csg	24 HR FORECAST Drill to TD, Log, Run & CMT Csg.			DAILY INT \$	CUM INTANG \$
LITHOLOGY sd, sh & clay	LAST CASING 7 IN @ 306 FT	NEXT CASING 4 1/2 IN @ 1450 FT		DAILY TOTAL \$ 7043	CUM COST \$ 7043
				A/E #	AUTH COST \$

MUD DATA		ADDITIVES		QTY	BIT RUN DATA			PUMP DATA	
DENS (ppg)	9.2	Gal	24	BIT #	1	BIT #	1	STROKE	14
VIS (sec/qt)	40	Lime	2	SIZE (in)	9 7/8	DEPTH IN	6	LINER	5 1/2
WL- API	NC			MFR	STC	DEPTH OUT	325	SPM	70
pH				TYPE	DGJ	WOB min/max	4.10	OUTPUT (KPM)	290
				SERIAL #	LB6294	RPM min/max	120/150	PRESS (psi)	300
				NETS 1/23	13.13.13				

FROM	TO	HOURS	OPERATIONS SUMMARY
0700	1745	10 3/4	MIRV Notify Herb Dyness, KCC, 2-2-01, 13:15
	2015	4 1/2	Drill surface 6-325 shale @ 150
	2230	1/4	Circulate @ 325
	2245	1/4	Survey 3/4 @ 325
	2315	1/2	TOO H
2315	0030	1 1/4	RAN 10 JTS (300.28) used 7" 20 [#] J-55 Bad STC casing set @ 306' KB. CIRC 1/4 hr. Pumped 6 1/2 bbl fresh water preflush, mixed 1305x Reg, 3% CC, 1/4 #/5x floccs mixed @ 15.2 PPG, displaced w/ 11 bbl fresh water. CIRC 3 1/2 bbl cement to surface cement in place @ 00:30.
0030	0700	6 1/2	WOC
			Rig 5141
			Xtra Surf Csg 1237
			PCI 565
			Kevin 100
			<u>7043</u>

24 HR SUMMARY MIRV, drill surface, Run & CMT surface Csg, WOC	PAGE 1 of 1
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RECEIVED
 JUL 15 2001
 KCC WICHITA

DAILY DRILLING REPORT
NIOBRARA DEVELOPMENT WELLS

WELL NAME 7-2 Lower Trust	24 HR PROG 1125	TMD 1450	IVD —	REPT # 2	DATE 2-9-01
SUPERVISOR Walt Smith	RIG NAME & # EXCEL II	FIELD NAME Cherry Cr	AUTH TD 1600	DAILY TANG \$ —	CUM TANG \$ —
CURRENT STATUS Running Prod Csg	24 HR FORECAST Circ Csg, Cement, Hang Csg, WOC			DAILY INT \$ —	CUM INTANG \$ —
LITHOLOGY Shale, Chalk	LAST CASING 7" IN @ 306 FT	NEXT CASING 4 1/2" IN @ 1420 FT	AFE # —	DAILY TOTAL \$ 33558	CUM COST \$ 40601
MUD DATA	ADDITIVES	QTY	BIT RUN DATA	PUMP DATA	
DENS (ppg) 8.8	KCL	70	BIT # 2	BIT # 2	STROKE 14
VIS (sec/qt) 36	Starch	35	SIZE (in) 6 1/4	DEPTH IN 325	LINER 5 1/2
WL-API 7	Drispac	2	MFR VII	DEPTH OUT 1450	SPM 70
pH 7	Polymer	2	TYPE 2126	WOB min/vmax 12.15	OUTPUT (RPM) 290
			SERIAL # 141204	RPM min/vmax 150.150	PRESS (psi) 300
			JETS 12/3 14, 15, 16		

FROM	TO	HOURS	OPERATION SUMMARY
0700	0830	1 1/2	WOC
	1345	5 1/4	Drill 325-1022
	1445	1	Mud Up
	1645	2	Rig Repair - Prime mud Pump
	1730	3/4	Mud Up
	2115	3 3/4	Drill 1022-1450
	2145	1/2	Circulate @ 1450
	2215	1/2	Short Trip
	2315	1	Circulate @ 1450
	2330	1/4	Survey 3/4 @ 1450
	0115	13/4	TOOTH Log down drill string
0115	0600	4 3/4	Run 5-Logs: DIL 1424-304, CNL/FDC 1399-800, Log TD 1432 Beecher Island 1213-1252, Ave Res 4, min 3 3/4, max 5 1/2, Ave x0 1213-1242 22%, 1242-1252 27%
0600	0700	1	Run & Cmt 4 1/2 Prod Csg: Run fillup float shoe (.91') on 35 Jts (1414.52') new 4 1/2 10.5" J-55 8ad 5TC casing. Total 1415.43' set @ 1420' KB.

24 HR SUMMARY
WOC, Drill, Mud Up, Rig Repair, Drill, Circ, Short Trip, Circ, Trip out, Log, Run Csg

**DAILY DRILLING REPORT
NIOBRARA DEVELOPMENT WELL**

WELL NAME <i>1-B Lower Trust</i>	24 HR PROG <i>-0-</i>	TMD <i>1450</i>	TVD <i>—</i>	REPT # <i>3</i>	DATE <i>2-10-01</i>
SUPERVISOR <i>Walt Smith</i>	RIG NAME & # <i>Excel II</i>	FIELD NAME <i>Charry Cr</i>	AUTH ID <i>1600</i>	DAILY TANG \$	CUM TANG \$
CURRENT STATUS <i>WOC Move to next well</i>	24 HR FORECAST			DAILY INT \$	CUM INTANG \$
LITHOLOGY			LAST CASING <i>4 7/8 IN @ 1420 FT</i>	NEXT CASING IN @ FT	DAILY TOTAL \$
MUD DATA			ADDITIVES	QTY	BIT RUN DATA

FROM	TO	HOURS	OPERATIONS SUMMARY
0700	0845	1 3/4	Rig 1/2 hr. Pump 10 @b1 fresh water preflush, mixed 75 ex 50-50 Pormix 2% gel, 10% salt @ 14, 2 PPG. Wash out pump & lines. Displace latch down plug w/ 21.9 @b1 3% KCL water. Float held. Good circulation while cementing. PBTD 1379' KOB
0845	0915	1/2	Hang 259 w/ 12500 ± Flange up Wellhead Rig Released @ 09:15
0915	1100	1 3/4	Rig Down

FROM	TO	HOURS	OPERATIONS SUMMARY
			Rig 16212
			Xtra ftgc 725
			Daywork 5 hrs 990
			PLI 565
			Kevin 100
			Sessions == 150
			Schlumberger 4000
			Cementers 4301
			Casing 5440
			Wellhead 575
			* Dozer time est 500
24 HR SUMMARY			33558

* Muddy Roads - had to Tow Logging & Cementing Trucks in & out from County Road.