

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

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. Altd.
 Gas ENHR SIGW 05-18-01
 Dry Other (Core, WSW, Expl., Casing, 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>1-9-01</u>	<u>1-11-01</u>	<u>1-25-01</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15-023-20371-0000
 County: Cheyenne
 N/2-SWNW- Sec. 20 Twp. 4 S. R. 40 East West
1697 feet from S / (circle one) Line of Section
676 feet from E / (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW SW
 Lease Name: Kendrick-Schorzman Well #: 2-20
 Field Name: Cherry Creek
 Producing Formation: Niobrara
 Elevation: Ground: 3492 Kelly Bushing: 3498
 Total Depth: 1415' Plug Back Total Depth: 1350'
 Amount of Surface Pipe Set and Cemented at 314 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 13100 ppm Fluid volume 3200 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 Greer
 Title: President Date: May 9, 2001
 Subscribed and sworn to before me this 9th day of May, 2001
 Notary Public: [Signature]
 Date Commission Expires: 3/29/05

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: Kendrick-Schorzman Well #: 2-20

Sec. 20 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 ✓

RECEIVED
 KANSAS CORPORATION COMMISSION
 MAY 18 2001
 CONSERVATION DIVISION
 WICHITA, KS

Log Formation (Top), Depth and Datum Sample

Name Top Datum

Niobrara

Beecher Island 1228' 2270'

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	# Sacjs Used	Type and Percent Additives
Surface	9 7/8	7"	24#	314	Reg	130	3% cc 1/4#sk floecele
Production	7 7/8	4 1/2"	10.5#	1396	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	1230-1259	500 gal 7.5% HCl	
2	1259-1269	Foam Frac w/ 50000 #20/40 and 50000 #10/20	1230 1269

TUBING RECORD Size Set At Packer At Liner Run Yes No

none

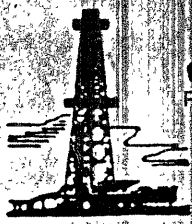
Date of First, ~~Production~~ Production, SWD or Enhr. 4-3-01 Producing Method Flowing Pumping Gas Lift Other (Explain)

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

Disposition of Gas METHOD OF COMPLETION Production Interval 1230'-1259' + 1259'-1269'

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 No 181279

ORIGINAL

Priority

Date 1-11-01 Well Owner Dil + Gas Well No. 2-20 Lease Kendrick Shortman

Country Cheyenne State Kansas Field _____

Charge to Priority Dil + Gas LLC Charge Code _____

Address 633 17th St, Suite 1520 For Office Use Only _____

City, State Denver, Co. 80202

Pump Truck No. 1204 Code _____ Bulk Truck No. 1213 Code _____

Type of Job _____ Depth _____ Ft. 1415 To _____

Surface _____ Bottom of Surface _____ Ft. _____ To _____

Plug _____ Plug Landed @ 1350 Ft. Time On 2230

~~Production~~ 4 1/2" CSG, 10.5 # Pipe Landed @ 1396 Ft. Time Off ~~2230~~ 2400

Reference No.	Description	Qty.	Meas.	Unit Price	Amount
	Pump Truck Charge				
	Cement Near				
	Poz. Mix <u>50/50</u>	<u>75</u>	<u>sks</u>		<u>4100 00</u>
	Calcium Chloride <u>10% Salt</u>				
	Gel <u>2 %</u> Flo-Cele #Per Sack				
	Handling Charge				
	Hauling Charge				
	Additional Cement				
	<u>4 1/2" centralizers</u>	<u>5</u>			
	<u>" AFU shoe</u>	<u>1</u>			
	<u>Latch down plug + baffle</u>	<u>1</u>			
	<u>Mixing rate-4 bpm, Displacement rate-6 bpm</u>				
	<u>Slurry volume-1.26 cu.ft./sk, slurry wt-14.2 ppq</u>				

RECEIVED
KANSAS CORPORATION COMMISSION

MAY 18 2001

CONSERVATION DIVISION
WICHITA, KS

Remarks: <u>Preflush w/ 10 bbls H₂O</u>	Tax Reference Code	Sub Total	<u>4100 00</u>
<u>Displace w/ 21.4 bbls RCL</u>	State <u>KO 4.9 %</u>	Tax	<u>200 90</u>
<u>Landed plug w/ 2000 PSI</u>	Disc.	Total	<u>4300 90</u>

Truck No.	Code	State Mileage	Nebraska	Colorado	Wyoming	Total Mileage
<u>1204</u>		Pump Truck		<u>18</u>	<u>40</u>	
<u>1213</u>		Bulk Truck		<u>18</u>	<u>40</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-Tray

Received By [Signature]
Customer or His Agent

DAILY DRILLING REPORT
NIOBARRA DEVELOPMENT WELL

Kendrick Schorz 22

WELL NAME 2-20 Kendrick-Schorzman	24 HR PROG 705	TMD 711	IVD —	REPT # 1	DATE 01-11-01
SUPERVISOR Walt Smith	RIG NAME & # EXCELL II	FIELD NAME Cherry CR	AUTH ID 1600	DAILY TANG \$	CUM TANG \$
CURRENT STATUS Drilling			DAILY INT \$	CUM INTANG \$	
24 HR FORECAST Drill to TD, 20g, Run & Cement Casing			DAILY TOTAL \$ 13241	CUM COST \$ 13241	
LITHOLOGY 3d, Shale, Clay	LAST CASING 7" IN @ 314 FT	NEXT CASING 4 1/2" IN @ 1400 FT	AFE # —	AUTH COST \$	

MUD DATA		ADDITIVES		QTY	BIT RUN DATA				PUMP DATA		
DENS (ppg)	9.0	Gel	24	BIT #	1	2	BIT #	1	2	STROKE	14
VIS (sec/qt)	40	Lime	2	SIZE (in)	9 7/8	6 1/4	DEPTH IN	6	325	LINER	5 1/2
WL-API				MFR	STC	VII	DEPTH OUT	325	—	SPM	70
pH				TYPE	DGJ	L117	WOB min/max	5.8	14.18	OUTPUT (lpm)	290
				SERIAL #	286294	150962	RPM min/max	120	140	PRESS (psi)	500
				NETS 1/23	13,13,13	14,15,16					

FROM	TO	HOURS	OPERATIONS SUMMARY
0700	1330	6 1/2	MIRV Notify David Wann, KCC, 1-10-01 13:00
	1715	3 3/4	Drill Surface 6-325 Shale @ 170'
	1730	1/4	Circulate @ 325
	1745	1/4	Survey 1° @ 325
	1800	1/4	TOOTH
	2000	2	Ran 10 Hrs (308.58) used 7" 20 [#] 8ad STC open-ended w/1 centralizer landed @ 314' KB Pumped 6 1/2 Bbl water preflush, mixed 130 5x Reg, 3% cc, 1/4 #/5x floccle @ 15.6 PPG displace w/11 1/2 Bbl fresh water. Circ 2 Bbl Cmt to surface. Cement in place 20:00
2000	0400	8	WOC Drill out 5' amt in 7" Csg
	0500	1	Rig Repair - Work on Pump
	0700	2	Drill 325-711
			Rig = 11246 21353 to 13TD
			Xtra Surf Csg 1330 > 200' 711/1350 X 2153
			PCI 565
			Kevin 100
			13241

24 HR SUMMARY
MIRV, Drill Surf, Run & Cmt Surf Csg, WOC, Drill
PAGE 1 of 1

3.82 ft.
on casing
off casing
tally.

307
107 extra x 11.67 = 1330

DAILY DRILLING REPORT
NIORARA DEVELOPMENT WELL

WELL NAME 2-20 Kendrick Schwa	24 HR PROG 704	TMD 1415	IWD -	REPT # 2	DATE 7-12-01
SUPERVISOR Walt Smith	RIG NAME & # Excell II	FIELD NAME Cherry Cr	AUTH ID 1600	DAILY TANG \$	CUM TANG \$
CURRENT STATUS WOL Rigging Down	24 HR FORECAST Move to next well			DAILY INT \$	CUM INTANG \$
LITHOLOGY 5d sh, Chalk	LAST CASING 4 1/2 IN @ 1396 FT	NEXT CASING IN @		DAILY TOTAL \$ 26254	CUM COST \$ 39495
MUD DATA	ADDITIVES	QTY	BIT RUN DATA	AFE #	AUTH COST

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	DRISPAK	2	MFR	VII	DEPTH OUT	1415	SPM	70
pH	7	Polymer	2	TYPE	L117	WOB (lb)	18.18	OUTPUT (RPM)	290
				SERIAL #	150962	RPM (min/max)	150/150	PRESS (PSI)	500
				JETS 1/2/3	14, 15, 16				

FROM	TO	HOURS	OPERATIONS SUMMARY
0700	0715	1/4	Rig Service
	0915	2	Drill 711 - 1024
	1115	2	Mud Up
	1430	3 1/4	Drill 1024 - 1415
	1500	1/2	Circulate @ 1415
	1545	3/4	Short trip 1415 - 1065
	1645	1	Circulate @ 1415
	1700	1/4	Survey 2 1/2" @ 1415
	1830	1 1/2	TOOH - Lay Down Drill String
	2200	3 1/2	Run E-Logs: DIL 1411-316, CNL/FDC 1386-450, Log TD 1419. Bacher Island 1230-1269. Ave Res 4 1/2, Ave XO 22%
2200	0000	2	Run & cmt 4 1/2 Prod Casg Run fillup float shoe (.91) on 31 ft (1389.59') new 4 1/2 10 ⁵ J-55 8nd STC casing. Total 1390.50 set @ 1396' K.B. Circ 1/4 hr. Pumped 10 Bbl fresh water preflush, mixed 75 sx 50-50 Pp, 2% gel, 10% Salt @ 14, 2 PPA, Wash out lines. Displace latch down plug w/ 21.4 Bbl 3% KCL water. Float held, PBTD 1350' K.B.
0000	0030	1/2	Hang Casg w/ 12 300" Flange up wellhead Drill to TD, Log, Run & cmt Prod Casg

24 HR SUMMARY

DAILY DRILLING REPORT
NIOBARRA DEVELOPMENT WELL

WELL NAME 2-20 Kendrick-Schamper 94		24 HR PROG	FMD 1415	TVD	REPT # 2	DATE 7-12-01
SUPERVISOR Walt Smith		RIG NAME & # Excel B	FIELD NAME Cherry Cr	AUTH TO 7600	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 \$
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	OUTPUT (ppm)
				SERIAL #	mir/vmax	PRESS (psi)
				JETS 1/2/3	rpm	
					mir/vmax	

FROM	TO	HOURS	OPERATIONS SUMMARY
0030	0700	6 1/2	Rig Release @ 00:30 - Rigging Down
			Rig 10107 ✓ 21353 - 1242
			Xtra ftge 497 x 725 > 1350'
			* Day work 3 hrs 594'
			PKI - 565 = WALT
			Kevin - 100
Numbering			SESSIONS - 150
Casing			Schlumberger 4000
			Cementers ✓ 4301 in cl. Alcatraz
			Casing 5365
			Wellhead 575 ✓ Nat. Oil Well
			26254
			* allow 5 hrs
			> 5 hrs = 198 / hrs
			Dozer - ?
			water truck ?

24 HR SUMMARY

PAGE **2 of 2**

casing footing threads of
 30x