

Notice: Fill out COMPLETELY and return to Conservation Division at the address below within 80 days from plugging date.

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL PLUGGING RECORD
K.A.R. 82-3-117

Form CP-4
December 2003
Type or Print on this Form
Form must be Signed
All blanks must be Filled

Lease Operator: Millennium Oil & Gas, Inc.
Address: Hwy K-15, P.O. Box 70
Phone: (620) 876-3441 Operator License #: 32563
Type of Well: oil & gas (Dry Hole) Docket #: _____
(Oil, Gas D&A, SWD, ENHR, Water Supply Well, Cathodic, Other) (If SWD or ENHR)
The plugging proposal was approved on: 05-23-05 (Date)
by: Dave Wertz, Regulatory Technician (KCC District Agent's Name)
Is ACO-1 filed? Yes No If not, is well log attached? Yes No
Producing Formation(s): List All (If needed attach another sheet)
See attached geologist report Depth to Top: _____ Bottom: _____ T.D. _____

API Number: 15-035242180000
Lease Name: Sauer Reeves DB
Well Number: #1
DB 08-09-05 ← NW NW SE-24-34-06
Spot Location (QQQQ): SW SW NE-24-34-06
____ Feet from North / South Section Line
____ Feet from East / West Section Line
Sec. 24 Twp. 34 S. R. 06 East West
County: Cowley
Date Well Completed: Dry Hole
Plugging Commenced: 05-23-05
Plugging Completed: 05-23-05 # 3924
DB 08-09-05

Cement Ticket # 3924
DB 08-09-05

Show depth and thickness of all water, oil and gas formations.

Oil, Gas or Water Records		Casing Record (Surface Conductor & Production)				
Formation	Content	From	To	Size	Put In	Pulled Out
<u>See attached geologist letter/report</u>				<u>8 5/8'</u>	<u>310 feet</u>	

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CONSERVATION DIVISION
WICHITA, KS

Describe in detail the manner in which the well is plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same depth placed from (bottom), to (top) for each plug set.

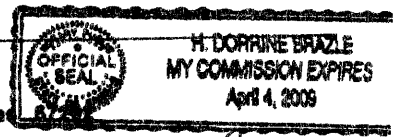
See attached Treatment Report & Field Ticket: Plugged well to state requirements.
1st plug was spotted at 355' w/ 35 sks 60/40 pos 4% gel. 2nd plug was 60' to surface w/ 25 sks 60/40 pos 4% gel. Pulled drill pipe. Tapped hole off.
Top completed. Wash up. Rig down.

Name of Plugging Contractor: David Farthing, Three Rivers Exploration, LLC License #: KCC # 33217
Address: 538 Road 20, Olpe, KS 66865
Name of Party Responsible for Plugging Fees: Millennium Oil & Gas, Inc.
State of Kansas County: Cowley ss.

MILLENNIUM OIL & GAS, INC. (Employee of Operator) or (Operator) on above-described well, being first duly sworn on oath, says: That I have knowledge of the facts statements, and matters herein contained, and the log of the above-described well is as filed, and the same are true and correct, so help me God.

(Signature) [Signature]
(Address) HWY K-15 PO BOX 70, Dexter, KS 67032

SUBSCRIBED and SWORN TO before me this 12th day of July, 2005
H. Dorrine Brazle My Commission Expires: _____
Notary Public



Bun

ROBERT T. HOPKINS - CERTIFIED GEOLOGIST

709 Harold Avenue, Salina, Kansas 67401

home phone (785) 827-6428

e-mail: robert.hopkins@wilsonco.com

May 23, 2005

Robert Bowers
Millenium Oil and Gas, Inc.
P.O. Box 70
Dexter, Kansas 67038

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WICHITA, KS

Re: Millenium - #1 Reeves, NW NW SE, Sec. 24-34s-6e, Cowley County, Kansas

Dear Mr. Bowers:

The #1 Reeves well was TD'd on 5-21-2005, and open-hole logged. Following is a summary of shows observed in this well and a log top comparison. This letter is accompanied by the lithologic log I prepared during drilling. I gave you a correlated copy of the open-hole electric log. The enclosed lithologic log has a scale of 5" = 100', for purposes of correlation to the electric log.

Hydrocarbon shows (log corrected depths):

- slight oil show in upper Stalnaker Sandstone 1653-1658', with an average gas detector response. I believe this zone would not be economically productive.
- slight oil show in lower Stalnaker Sandstone 1794-1800', with an average gas detector response. I believe this zone would not be economically productive.
- slight to fair oil show in Layton Sandstone 2151-2158', with an average gas detector response in and below the sample show. I believe this zone would not be economically productive.
- slight oil show in Altamont Limestone (locally called Pawnee) 2576-2580', with a slight gas detector response. I believe this zone would not be economically productive.
- fairly good oil and gas show in Pawnee Limestone (locally called Fort Scott) 2650-2662', with a good gas detector response. I believe this zone would not be economically productive, even though a fairly good show was observed in cuttings, due to the poor log porosity and low structural position.
- slight oil show in Mississippi Chert 2980-2986' with no gas detector response. I believe this zone would not be economically productive.
- slight oil show in Mississippi Limestone 3000-3004' with no gas detector response. I believe this zone would not be economically productive.

There were several gas detector responses that either were insignificant in quantity, or could not be correlated to a potential hydrocarbon reservoir by drilling cuttings. Several thick shales exhibited such responses. These do not appear to be significant.

LOG TOP COMPARISON:

<u>formation</u>	<u>Millenium - #1 Reeves</u>	<u>compared to Walnut Valley - Simmons #2 (SW sec. 24)</u>	
Hoover Sd.	1409(-54)	-8	(-46)
Brown Ls.	1624(-269)	-25	(-244)
Stalnaker Sd.	1646(-291)	-32	(-259)
Perry Sd.	1864(-509)	-23	(-486)
Layton Sd.	2151(-796)	-53	(-743)
(local) Pawnee Ls.	2562(-1207)	-49	(-1158)
(local) Ft. Scott Ls.	2644(-1289)	-41	(-1248)
Mississippi Chert	2977(-1622)	-25	(-1597)
Mississippi Ls.	2997(-1642)	-21	(-1621)

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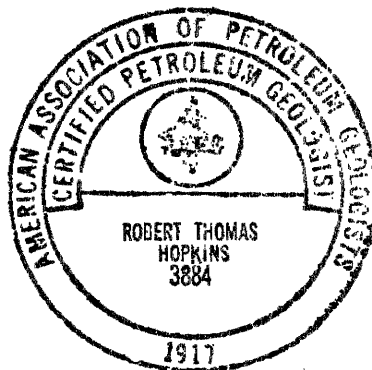
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Based on the poor porosity in the Pawnee (Ft. Scott), and the poor shows in the other primary target zones (Layton Sd. and Mississippian), together with the low structural position of this well relative to producers to the west and north, it is doubtful that commercial oil or gas production could be obtained from the Reeves #1 well. I, therefore, recommended that the well be plugged and abandoned.

Robert Hopkins
Robert Hopkins, L.G., C.P.G.
geologist

enc.



August 09, 2005

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WICHITA, KS

Kansas Corporation Commission
Conservation Division
130 S. Market, Room 2078
Wichita, KS 67202-3802

Attn: Barbara Montgomery
Re: Correction, CP-4 Well Plugging Form/Reeves # 1, NW NW SE 24-34-06
API Number: 15-035242180000

Dear Barbara:

Enclosed please find the corrected CP-4 Well Plugging Form for the Reeves #1 Well. I have changed the lease name from Sauer to the corrected name of **Reeves**. I have also corrected the legal description to **NW NW SE 24-34-06**. As you advised, I have crossed through the old information, placed the corrected information respectively, dated the correction, and initialized it.

Once again I am attaching the geologist's report to the corrected CP-4 form, as I also attached the geologist's report to the first CP-4 form that I originally mailed to the KCC.

Your assistance today was very much appreciated. If anything further is needed, please contact our office 1-620-876-3441.

Sincerely,



Dorrine Brazle
Secretary

db

Enclosures: 3