

KCC

ORIGINAL

FORM MUST BE TYPED

AUG 29 2002 IDE ONE

STATE CORPORATION COMMISSION OF KANSAS
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
ACO-1 WELL HISTORY
DESCRIPTION OF WELL AND LEASE

API NO. 15- 121-27635-0000

CONFIDENTIAL

County Miami

NE - SW - NW Sec. 8 Twp. 16 Rge. 25 X (E)

Operator: License # 32294

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1764 Feet from S(N) (circle one) Line of Section

Name: Osborn Energy, L.L.C.

681 Feet from E(W) (circle one) Line of Section

Address 24850 Farley

Footages Calculated from Nearest Outside Section Corner:
NE, SE, (NW) or SW (circle one)

City/State/Zip Bucyrus, Kansas 66013

Lease Name Sanders Well # 3-8

Purchaser: Akawa Natural Gas, L.L.C.

Field Name Un-Named

Operator Contact Person: Steve Allee

Producing Formation Mississippian

Phone (913) 533-9900

Elevation: Ground 1055' KB N/A

Contractor: Name: Layne Christensen Canada Limited

Total Depth 1082' PBTD N/A

License: 32999-5885

Amount of Surface Pipe Set and Cemented at 21 Feet

Wellsite Geologist: Rex Ashlock

Multiple Stage Cementing Collar Used? Yes X No

Designate Type of Completion
X New Well Re-Entry Workover

If yes, show depth set N/A Feet

X Oil SWD SOW Temp. Abd.
X Gas ENHR X SIGW
Other (Core, MSW, Expl., Cathodic, etc)

If Alternate II completion, cement circulated from 1081

feet depth to surface w/ 160 sx cmt.

If Workover/Reentry: Old Well Info as follows

Drilling Fluid Management Plan NEW EH 9.9.02
(Data must be collected from the Reserve Pit)

Operator: _____

Chloride content N/A ppm Fluid volume 500+/- bbls

Well Name: SEP 03 2002

Dewatering method used evaporation

Comp. Date _____ Old Total Depth _____

Location of fluid disposal if hauled offsite: _____

Deepening Re-perf. WICOPY, KS
Plug Back PBTD
Commingled Docket No. _____
Dual Completion Docket No. _____
Other (SWD or Inj?) Docket No. _____

Operator Name RELEASED

Lease Name FROM

Quarter Sec. CONFIDENTIAL E/W

County _____ Docket No. _____

5/21/2002 5/22/2002 waiting on completion
Spud Date Date Reached TD Completion Date

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 on 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 [Signature]
Title Geologist Date 8-29-02

Subscribed and sworn to before me this 29 day of AUGUST, 2005

Notary Public [Signature]

Date Commission Expires 12/17/2005

NOTARY PUBLIC
DARLINE LOTT
My Appt. Exp. 12/17/05

K.C.C. OFFICE USE ONLY
F Yes Letter of Confidentiality Attached
C Yes Wireline Log Received
C No Geologist Report Received
Distribution
_____ KCC _____ SWD/Rep _____ NGPA
_____ KGS _____ Plug _____ Other
(Specify)

SIDE TWO

Operator Name Osborn Energy, L.L.C. Lesse Name Sanders Well # 3-8
 Sec. 8 Twp. 16S Rge. 25 East County Miami
 West

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INSTRUCTIONS: Show important tops and base of formations penetrated. Do not log cores. Report all drill stem 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 during test. Attach extra sheet if more space is needed. Attach copy of log.

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:
 Dual Induction Log

Log Formation (Top), Depth and Datums Sample
 Name Top Datum

Drillers Log Attached

| 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 | # Sacks Used | Type and Percent Additives |
| Surface | 13" | 10 3/4" | 32.75 | 21' | Class A | 13 | 3% CaCl2 |
| Production | 7 7/8" | 5.5" | 15.5 | 1081' | Thixotropic | 160 | 2% CaCl2 |
| | | | | | | | |

| ADDITIONAL CEMENTING/SQUEEZE RECORD | | | | | |
|---|-------|--------|----------------|-------------|----------------------------|
| Purpose: | Depth | | Type of Cement | #Sacks Used | Type and Percent Additives |
| | Top | Bottom | | | |
| <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 |
|----------------|---|---|
| | | |
| | | |
| | | |

TUBING RECORD Size Set At Packer At Liner Run Yes No
 N/A

Date of First, Resumed Production, SWD or Inj. Producing Method Flowing Pumping Gas Lift Other (Explain)
 Waiting on completion N/A

| | | | | | |
|-----------------------------------|-----------|---------|-------------|---------------|---------|
| Estimated Production Per 24 Hours | Oil Bbls. | Gas Mcf | Water Bbls. | Gas-Oil Ratio | Gravity |
| | N/A | N/A | N/A | N/A | N/A |

Disposition of Gas: METHOD OF COMPLETION Production Interval

Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled

(If vented, submit ACO-18.) Other (Specify) SIGW

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RELEASED
FROM
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ORIGINAL

DRILLER LOG

Sanders #3-8

1764 FNL, 681 FWL
Section 8-T16S-R25E
Miami Co., Kansas
API # 15-121-27635

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AUG 29 2002

RECEIVED
KANSAS CORPORATION COMMISSIO.

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SEP 03 2002

Elevation: 1055 GL, 1058 KB (est. from Topo Map)

CONSERVATION DIVISION
WICHITA, KS

Drilling Contractor: Layne Energy

Spud: 5/21/02

Surface: 10.75" csg set at 21', cmt'd w/ 13 sx

Rotary Total Depth: 1081' on 5/22/02

Bore Hole: 7.875 (7 7/8")

Drilling Fluid: Air, mudded up to log (chemical/gel)

E-Log Total Depth: 1082'

Production Csg.: 5.50 (5 1/2") set at 1081' cmt'd w/ 160 sx

| <u>Formation</u> | <u>E-log Top</u> | <u>Datum</u> |
|----------------------------------|------------------|--------------|
| Stark Shale | 286 | 772 |
| Hushpuckney Shale | 314 | 744 |
| Base Kansas City | 331 | 727 |
| Mound City Shale | 331 | 727 |
| "Upper" Knobtown Sand | ---- | ---- |
| "Middle" Knobtown Sand | 356 | 702 |
| "Lower" Knobtown Sand | 387 | 671 |
| "Tacket" Carbonaceous Zone | 438 | 620 |
| "Big Lake" Sand | 441 | 617 |
| South Mound Zone | 489 | 569 |
| Hepler (Wayside) Sand | ---- | ---- |
| "Upper" Mulberry Zone | 510 | 548 |
| Mulberry Zone | 525 | 533 |
| Laberdie Limestone | 531 | 527 |
| Weiser (Peru) Sand | 541 | 517 |
| Anna Shale (Lexington Coal Zone) | 562 | 496 |
| Peru Sand | 565 | 493 |
| Summit Zone | 601 | 457 |
| Mulky Zone | 623 | 435 |
| "Upper" Squirrel Sand | 628 | 430 |
| "Middle" Squirrel Sand | 666 | 392 |
| "Lower" Squirrel Zone | ---- | ---- |
| Bevier Zone | 705 | 353 |
| Croweburg Zone(s) | 713 | 345 |
| Mineral Zone | 738 | 320 |

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| | | |
|------------------------------|------|------|
| Scammon Zone | 749 | 309 |
| "Lower" Cattleman Sand | 759 | 299 |
| Tebo Zone | 782 | 276 |
| Bartlesville "A" Sand | 806 | 252 |
| The "Un-named" Zone | 834 | 224 |
| Bartlesville "B" Sand | 861 | 197 |
| Dry Wood Zone | 877 | 181 |
| Bartlesville "C" Zone | 886 | 172 |
| Rowe Zone | 899 | 159 |
| "Upper" Neutral Zone | ---- | ---- |
| "Lower" Neutral Zone | ---- | ---- |
| "Neutral" (Mystery) Shale | ---- | ---- |
| "E" Sand | 914 | 144 |
| "F" Sand | ---- | ---- |
| "G" Sand | 979 | 79 |
| "H" Sand | ---- | ---- |
| Riverton Zone | 994 | 64 |
| Mississippian "Conglomerate" | 1003 | 55 |
| Mississippian "Lime" | 1006 | 52 |
| Rotary Total Depth | 1081 | -23 |
| E-Log Total Depth | 1081 | -23 |

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AUG 29 2002

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ACID SERVICE, INC.

PO Box 103
 Eureka, Kansas 67045

Cementing Ticket
 and Invoice Number

ORIGINAL
 No. 3457

| | | | | | | | | | |
|-------------------------------|--------------------|--------------------------|-------|--------|--------------------------------------|--------------------------|-------------------|---------------|--|
| Date | Customer Order No. | Sec. | Twp. | Range | Truck Called Out | On Location | Job Began | Job Completed | |
| 5-23-02 | SAFETY 3-8 | R | 16 | 25 | | 7:00 AM | 8:00 AM | 8:40 AM | |
| Owner | | Contractor | | | Charge To | | | | |
| D. S. B. Energy / LANE Energy | | Layne Christensen Canada | | | LANE Energy | | | | |
| Mailing Address | | City | | | State | | | | |
| 1345 Highfield Crescent | | CALGARY | | | ALBERTA T2G 2N2 | | | | |
| Well No. & Form | | Place | | County | | State | | | |
| SAFETY 3-8 | | Miami | | KANSAS | | | | | |
| Depth of Well | Depth of Job | Casing (New/Used) | Size | Weight | Size of Hole Amt. and Kind of Cement | Cement Left in casing by | Request Necessity | | |
| 1081 | 1082 | | 5 1/2 | 15.5 | 1 1/2 | 160 SKs | | 0 feet | |
| Kind of Job | | | | | Drillpipe | Rotary Cable | Truck No. | | |
| Long string | | | | | | | # 12 | | |

Price Reference No. # 1

Price of Job 665.00

Second Stage _____

Mileage 100 125.00

Other Charges _____

Total Charges 890.00

Remarks: Safety procedure meeting. Rig up to 5 1/2" casing. Break circulation w/ 11 gal fresh water. Mix 30 SKs cement at 10.5 lb per gal to total w/ 100 gal thick set cement at 1.8 lb per gal. Shut down work out pump & cement. Release. Mix. Disturb w/ 2 1/4" bit water. Final pump. P.T. was good. Pump due to 700" wait. Mix check that float held. Close casing to at a P.T. Good cement. Return to surface. P.T. bit string. 30 SKs job complete. Tear down. Good circulating during cementing procedure.

Cementor Russell McCoy

Helper MKE - Jim District EUREKA State KANSAS

The above job was done under supervision of the owner, operator, or his agent whose signature appears below

Blank WA
Agent of contractor or operator

Thank you

Sales Ticket for Materials Only

| Quantity Sacks | BRAND AND TYPE | PRICE | TOTAL |
|----------------|-----------------------|-------|----------|
| 160 | SKs Thick Set Cement | 10.75 | 1720.00 |
| 1 | 5 1/2 TWP Rubber plug | 40.00 | 40.00 |
| | Handling & Dumping | 50 | 50.00 |
| | Mileage 100 | 80 | 80.00 |
| | Sub Total | | 3,434.00 |
| | Discount | | |
| | Sales Tax | | |
| | Total | | |

Delivered by Truck No. 16

Delivered from EUREKA

Signature of operator Russell McCoy

KANSAS CORPORATION COMMISSION

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SEP 03 2002

CONSERVATION DIVISION
 WICHITA, KS

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