

FORM MUST BE TYPED

SIDE ONE

ORIGINAL

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

Operator: License # 32294
Name: Osborn Energy, L.L.C.
Address 24850 Farley
City/State/Zip Bucyrus, Kansas 66013
Purchaser: Akawa Natural Gas, L.L.C.
Operator Contact Person: Steve Allee
Phone (913) 533-9900
Contractor: Name: Layne Christensen Canada Limited
License: 32999
Wellsite Geologist: Rex Ashlock

Designate Type of Completion
 New Well Re-Entry Workover
 Oil SMD SLOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)

If Workover/Reentry: Old Well Info as follows
Operator: _____
Well Name: _____
Comp. Date _____ Old Total Depth _____
Deepening _____ Re-perf. _____
Plug Back _____
Commingled _____ Docket No. _____
Dual Completion _____ Docket No. _____
Other (SMD or Inj?) Docket No. _____
5/14/2002 5/16/2002 waiting on completion
Spud Date Date Reached TD Completion Date

API NO. 15- 121-27634-0000
County Miami
NE - NE - NW Sec. 8 Twp. 1

330 Feet from S(N) (circle one) Line Section
2310 Feet from E(W) (circle one) Line Section

Footages Calculated from Nearest Outside Section Corner:
NE, SE, (NW) or SW (circle one)
Lease Name Sanders Well # 2-8

Field Name Un-Named
Producing Formation Mississippian

Elevation: Ground 1050 KB N/A

Total Depth 1079' PBTD N/A

Amount of Surface Pipe Set and Cemented at 21 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set N/A Feet

If Alternate II completion, cement circulated from 1067

feet depth to surface w/ 160 sx cmt.

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

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

Dewatering method used evaporation

Location of fluid disposal if hauled offsite: _____

Operator Name _____

Lease Name _____ License No. _____

Quarter _____ Sec. _____ Twp. _____ S Rng. _____ E/W

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 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 _____
Title Geologist Date 8-14-02
Subscribed and sworn to before me this 14 day of AUGUST, 2002
Notary Public _____
Date Commission Expires 12/17/2005

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

K.C.C. OFFICE USE ONLY
F Letter of Confidentiality Attached
C Wireline Log Received
C Geologist Report Received
Distribution
KCC _____ SMD/Rep _____ NGPA _____
KGS _____ Plug _____ Other _____
(Specify)

SIDE TWO

Operator Name Osborn Energy, L.L.C. Lease Name Sanders Well # 2-8
 Sec. 8 Twp. 16S Rge. 25 East County Miami
 West

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INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all 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	8 3/4"	5.5"	15.5	1067	Thixotropic	160	2% CaCl2

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

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

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

Estimated Production Per 24 Hours
 Oil N/A Bbls. Gas N/A Mcf Water N/A Bbls. Gas-Oil Ratio N/A Gravity 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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AUG 15 2002

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FROM
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Sanders #2-8

330 FNL, 2310 FWL

Section 8-T16S-R25E

Miami Co., Kansas

API # 15-121-27634

Elevation: 1050 GL, 1053 KB (est. from Topo Map)

Drilling Contractor: Layne Energy

Spud: 5/14/2002

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

Rotary Total Depth: 1067'

Bore Hole: 7.875 (7 7/8")

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

E-Log Total Depth:

Production Csg.: 5.50 (5 1/2") set at 1067, cmt'd w/ 160 sx

CONSERVATION DIVISION
WICHITA, KS

KCC

AUG 13 2002

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<u>Formation</u>	<u>E-log Top</u>	<u>Datum</u>
Stark Shale	270	783
Hushpuckney	297	756
Base Kansas City	314	739
Mound City Shale Zone	314	739
"Upper" Knobtown Sand	----	----
"Middle" Knobtown Sand	338	715
"Lower" Knobtown Sand	369	657
Carbonaceous Zone in Tacket Fm.	421	632
"Big Lake" Sand	424	629
South Mound Zone	479	574
Hepler (Wayside) Sand	----	----
"Upper" Mulberry Zone	496	557
Mulberry Zone	507	546
Laberdie Limestone	511	542
Weiser (Peru) Sand	523	530
Anna Shale (Lexington Coal Zone)	541	512
Peru Sand	----	----
Summit Zone	581	472
Mulky Zone	599	454
"Upper" Squirrel Sand	----	----
"Middle" Squirrel Sand	641	412
"Lower" Squirrel Zone	----	----
Bevier Zone	682	371
Croweburg Zone(s)	691	362
Mineral Zone	719	334
Scammon Zone	738	315
Tebo Zone	764	289
Bartlesville "A" Sand	786	267
The "Un-named" Zone	----	----

Bartlesville "B" Sand	----	----
Dry Wood Zone	849	204
Bartlesville "C" Zone	858	195
Rowe Zone	873	180
"Upper" Neutral Zone	----	----
"Lower" Neutral Zone	----	----
"E" Sand	888	165
"F" Sand	----	----
"G" Sand	944	109
"H" Sand	----	----
Riverton Zone	965	88
Mississippian	975	75
Rotary Total Depth	1076	-14
E-Log Total Depth	1076	-14

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AUG 13 2002

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BLUE STAR ACID SERVICE, INC

PO Box 103
Eureka, Kansas 67045

Cementing Ticket
and Invoice Number

No. 3435

Date	Contract Case No. <i>AFF #</i>	Sec't.	Twp.	Range	Truck Called Out	On Location	Job Began	Job Completed
5-16-02	<i>Sanders # 2-8</i>	8	165	25E	2:30 PM	5:40	7:15	8:15
Owner	Contractor				Charge To			
<i>Osborn Energy / Lane Energy</i>	<i>LANE CHRISTENSEN CANADA</i>				<i>LANE ENERGY</i>			
Mailing Address	City				State			
<i>1345 Highfield Crescent S.E.</i>	<i>CALGARY</i>				<i>ALBERTA T2G5N2</i>			
Well No. & Form	Place	County		State				
<i>Sanders # 2</i>		<i>MIAMI</i>		<i>KS</i>				
Depth of Well	Depth of Job	Casing	(New) Size	Weight	Size of Hole Amt. and Kind of Cement	Cement Left in casing by	Request Necessity	
<i>1067'</i>	<i>1079'</i>		<i>5 1/2</i>	<i>15.50</i>	<i>160 SKS</i>		<i>0'</i>	
Kind of Job	Drillpipe				(Rotary) Cable		Truck No. <i># 12</i>	
<i>Longstring</i>								

Price Reference No	<i># 1</i>
Price of Job	<i>665.00</i>
Second Stage	
Mileage	<i>100 > 225.00</i>
Other Charges	
Total Charges	<i>890.00</i>

Remarks: *SAFETY Meeting; Rig up to 5 1/2 Casing. Break Circulation with 12 BBL fresh water. Mixed 30 SKS Cement @ 10.5 PER/GAL. TAIL IN with 130 SKS Thick Set Cement with 1/4" Floccle PER/SK @ 13.8 PER/GAL. Shut down, wash out Pump & Lines. Release Plug. Displace with 25.75 BBL fresh water. Final Pumping Pressure 300 PSI. Bump Plug to 900 PSI. Wait 5 Minutes. Check float. float Held. Shut casing in @ 0 PSI. Good Cement Returns to Surface = 12 BBL Slurry = 42 SKS. Job Complete. Rig down.*

Cementor *Kevin McCoy* District *EUREKA* State *KS*
 Helper *Mike - Monti*

The above job was done under supervision of the owner, operator, or his agent whose signature appears below
THANK YOU X Agent of contractor or operator

Sales Ticket for Materials Only

Quantity Sacks	BRAND AND TYPE	PRICE	TOTAL
<i>160 SKS</i>	<i>Thick Set Cement</i>	<i>10.75</i>	<i>1720.00</i>
<i>40 #</i>	<i>Floccle 1/4" PER/SK</i>	<i>1.00</i>	<i>40.00</i>
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AUG 15 2002			
CONSERVATION DIVISION WICHITA, KS			
RELEASED FROM CONFIDENTIAL			
<i>1</i>	<i>5 1/2 Top Rubber Plug</i>	<i>40.00</i>	<i>40.00</i>
	<i>160 SKS Handling & Dumping</i>	<i>.50</i>	<i>80.00</i>
	<i>8.8 Tons Mileage 100</i>	<i>.80</i>	<i>704.00</i>
	Sub Total		<i>3474.00</i>
	Delivered by <i>#16</i> Truck No.	Discount	
	Delivered from <i>EUREKA</i>	Sales Tax	
	Signature of operator <i>Kevin McCoy</i>	Total	