

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 33138
 Name: Meritage KCM Exploration, LLC
 Address: 1600 Broadway, Suite 1360
 City/State/Zip: Denver, Colorado 80202
 Purchaser: _____
 Operator Contact Person: Jeff Vaughan
 Phone: (303) 832-7463
 Contractor: Name: MOKAT
 License: 5831
 Wellsite Geologist: Larry Weis
 Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SLOW 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>1-3-03</u> | <u>1-4-03</u> | <u>4-17-03</u> |
| Spud Date or Recompletion Date | Date Reached TD | Completion Date or Recompletion Date |

API No. 15 - 003-24221-00-00
 County: Anderson
SW - nw - nw Sec. 26 Twp. 19 S. R. 19 East West
710 feet from S (circle one) Line of Section
330 feet from E (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW SW
 Lease Name: Kueser Well #: 26-11
 Field Name: Wildcat
 Producing Formation: _____
 Elevation: Ground: 985' Kelly Bushing: _____
 Total Depth: 1209' Plug Back Total Depth: 1194'
 Amount of Surface Pipe Set and Cemented at 20 Feet
 Multiple Stage Cementing Collar Used? Yes No
 If yes, show depth set _____ Feet
 If Alternate II completion, cement circulated from 1194
 feet depth to 100 sx cmt.
Alt II within 4-17-03

Drilling Fluid Management Plan
 (Data must be collected from the Reserve Pit)
 Chloride content _____ ppm Fluid volume _____ bbls
 Dewatering method used _____
 Location of fluid disposal if hauled off-site _____
 Operator Name: _____
 Lease Name: MAY 08 2003 License No.: _____
 Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
 County: CONSERVATION DIVISION WICHITA, KS

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: _____
 Title: VP, Project Development Date: 5-2-03
 Subscribed and sworn to before me this 2nd day of May,
2003
 Notary Public: Pranda Deimer
 Date Commission Expires: 2-18-2005

KCC Office Use ONLY
 Letter of Confidentiality Attached DPW
 If Denied, Yes Date: 05-08-03 CD
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

Operator Name: Meritage KCM Exploration, LLC Lease Name: Kueser Well #: 26-11
 Sec. 26 Twp. 19 S. R. 19 East West County: Anderson

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 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: High Resolution Compensated Density Neutron Dual Induction SFL/GR | <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Log Name</th> <th style="text-align: left;">Formation (Top), Depth and Datum</th> <th style="text-align: left;">Sample Datum</th> </tr> </thead> <tbody> <tr> <td>Altamont Lime</td> <td>589</td> <td>+386</td> </tr> <tr> <td>Oswego Lime</td> <td>708</td> <td>+267</td> </tr> <tr> <td>Bevier Coal</td> <td>838</td> <td>+137</td> </tr> <tr> <td>Drywood Coal</td> <td>1054</td> <td>-79</td> </tr> <tr> <td>Riverton Coal</td> <td>1116</td> <td>-141</td> </tr> </tbody> </table> | Log Name | Formation (Top), Depth and Datum | Sample Datum | Altamont Lime | 589 | +386 | Oswego Lime | 708 | +267 | Bevier Coal | 838 | +137 | Drywood Coal | 1054 | -79 | Riverton Coal | 1116 | -141 |
|--|--|--------------|----------------------------------|--------------|---------------|-----|------|-------------|-----|------|-------------|-----|------|--------------|------|-----|---------------|------|------|
| Log Name | Formation (Top), Depth and Datum | Sample Datum | | | | | | | | | | | | | | | | | |
| Altamont Lime | 589 | +386 | | | | | | | | | | | | | | | | | |
| Oswego Lime | 708 | +267 | | | | | | | | | | | | | | | | | |
| Bevier Coal | 838 | +137 | | | | | | | | | | | | | | | | | |
| Drywood Coal | 1054 | -79 | | | | | | | | | | | | | | | | | |
| Riverton Coal | 1116 | -141 | | | | | | | | | | | | | | | | | |

| 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 | 12-1/4" | 8-5/8" | 32# | 20' | Portland | 4 | |
| Production | 7-7/8" | 5-1/2" | 15.5# | 1200' | Thick Set | 160 | 8# Gilsonite/sk |

| 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 |
|----------------|---|---|-------|
| 4 | 657' - 660.5' | 250 gallons 15% FE HCl w/1% KCl water | |
| 4 | 690.5' - 692.5' | treated w/biocide. .25 ppg sand 20/40. | |
| 4 | 739' - 742' | | |
| 4 | 762.5' - 766' | | |
| 4 | 838.5' - 840.5' | | |

| | | | | | | | |
|---|-----------|---------|------------------|---|-----------|--------------------------------------|----|
| TUBING RECORD | | Size | Set At | Packer At | Liner Run | Yes | No |
| | | 2-7/8" | 1136' | | | | |
| Date of First, Resumed Production, SWD or Enhr. | | | Producing Method | | | Other (Specify) | |
| De-watering | | | Flowing | <input checked="" type="checkbox"/> Pumping | Gas Lift | CONSERVATION DIVISION WICHITA, KS | |
| Estimated Production Per 24 Hours | Oil Bbls. | Gas Mcf | Water Bbls. | Gas-Oil Ratio | Gravity | | |

Disposition of Gas Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled Other (Specify) _____

(If vented, Sumit ACO-18.)

RECEIVED
 KANSAS CORPORATION COMMISSION
 MAY 08 2003
 CONSERVATION DIVISION
 WICHITA, KS

Meritage KCM Exploration, LLC
Kueser 26-11
Section 26-T19S-R19E
Anderson County

| Shots Per Foot | Perforation Record | Acid, Fracture, Cement Squeeze Record | Depth |
|----------------|--------------------|--|-------|
| 4 | 852' – 855' | 250 gallons 15% FE HCl w/1% KCl water treated w/biocide. .25 ppg sand 20/40. | |
| 4 | 875' – 877' | | |
| 4 | 882' – 884.5' | | |
| 4 | 896' – 898.5' | | |
| 4 | 919.5' – 921.5' | | |
| 4 | 1008.5' – 1010.5' | | |
| 4 | 1055' – 1057' | | |
| 4 | 1082' – 1084' | | |
| 4 | 1117' – 1121' | | |
| 4 | 1122' – 1127.5' | | |
| 4 | 1129.5' – 1131.5' | | |
| 4 | 1134' – 1138' | | |

RECEIVED
KANSAS CORPORATION COMMISSION

MAY 08 2003

CONSERVATION DIVISION
WICHITA, KS

**BLUE STAR
ACID SERVICE, INC.**

PO Box 103
Eureka, Kansas 67045

Cementing Ticket
and Invoice Number

No 4155

| | | | | | | | | |
|--|--------------------|---|--------------------|---|--|--------------------------------|--|---|
| Date 1-6-03 | Customer Order No. | Sect. 26 | Twp. 19S | Range 19E | Truck Called Out 8:00 AM | On Location 10:30 AM | Job Began 12:05 PM | Job Completed 1:15 PM |
| Owner Meritage KCM Exploration LLC | | Contractor HURRICANE WELL SERVICE | | | Charge To Meritage KCM Exploration LLC | | | |
| Mailing Address 1600 Broadway Suite 1360 | | City Denver | | | State Co. 80202 | | | |
| Well No. & Form SWD | | Place Anderson | | | State KANSAS | | | |
| Depth of Well 1209' | | Depth of Job 1200' | | Casing <input checked="" type="radio"/> New <input type="radio"/> Used | Size 5 1/2 | Weight 15.50* | Size of Hole Amt. and Kind of Cement 160 SKS | Cement Left in casing by <input checked="" type="radio"/> Rotary <input type="radio"/> Cable |
| Kind of Job Longstring | | P.B.T.D. 1194' | | | Request Necessity 6' feet | | | |
| | | | | | Truck No. #12 | | | |

0001

| | |
|---------------------|-----------------------|
| Price Reference No. | # 1 |
| Price of Job | 665.00 |
| Second Stage | |
| Mileage | 85 > 191.25 |
| Other Charges | |
| Total Charges | 856.25 |

Remarks: **Safety Meeting: Rig up to 5 1/2 casing. Break Circulation. Wash down 25'. Pump 10 Bbl Gel Flush, Brought Gel to Surface. Rig up to Cement. Pump 18 Bbl Dye water, Mixed 160 SKS Thick Set Cement with 8* Gilsanit perlsk @ 13.4* per/GAL. Wash out Pump & Lines. Shut down. Release Plug. Displace with 28.25 Bbl Fresh water. Final Pumping Pressure 550 PSI. Bump Plug to 1100 PSI. Check Float, Float Held. Shut casing in @ 0 PSI. Good Cement Returns to Surface = 8.5 Bbl Slurry = 27 SKS. Job Complete. Rig down.**

Cementer: **Kevin McCoy**
 Helper: **Mike, Justin**
 District: **EUREKA** State: **Ks**
 The above job was done under supervision of the owner, operator, or his agent whose signature appears below.
Thank you
 x **Jan A. Wain**
 Agent of contractor or operator

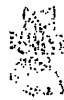
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MAY 08 2003

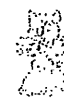
CONSERVATION DIVISION
WICHITA, KS

MAY 08 2003

Air Drilling
Specialist
Oil and Gas Wells



M.O.K.A.T. DRILLING
Office Phone: (620) 874-5377



P.O. Box 590
Caney, KS 67333

| | | | | | | | | | | | | |
|---|------------------------|--------------------|-----------------|------------------|----------------|---------|------------------------|--------------------------|------|------|----|--------|
| Operator MERITAGE KCM EXP LLC | | Well No. 26-11 | Lease KUESER | Loc. | Sec. 26 | Twp. 19 | Rge. 19 | | | | | |
| WICHITA KS | | County ANDERSON | State KS | Type/Well GAS | Depth 1209' | Hours | Date Started 1-3-03 | Date Completed 1-4-03 | | | | |
| Job No. | Casing Used | Bit Record | | | Coring Record | | | | | | | |
| | | Bit No. | Type | size | From | To | Bit No. | type | Size | From | To | % Rec. |
| Driller BILLY | Cement Used 4 SACKS | | | 7 7/8" | | | | | | | | |
| Driller | Rig No. | | | | | | | | | | | |
| Driller | Hammer No. | | | | | | | | | | | |

Formation Record

| From | To | Formation | From | To | Formation | From | To | Formation | From | To | Formation |
|------|-----|---------------------|------|-----|---------------------|------|------|---------------------|------|------|---------------------|
| 0 | 6 | DIRT | 405 | 422 | SAND | 762 | 764 | BLACK SHALE | 1082 | 1083 | COAL |
| 6 | 19 | LIME | 422 | 423 | BLACK SHALE OR COAL | 764 | 765 | COAL | 1083 | 1103 | SHALE |
| 19 | 23 | SHALE | 423 | 425 | SANDY SHALE | 765 | 805 | SHALE | 1103 | 1104 | BLACK SHALE OR COAL |
| 23 | 54 | LIME | 425 | 432 | SAND | 789 | | GAS TEST NO GAS | 1104 | 1118 | SHALE |
| 54 | 76 | SHALE | 432 | 452 | SANDY SHALE | 805 | 811 | SAND OIL ODOR | 1115 | | GAS TEST NO GAS |
| 76 | 80 | LIME | 452 | 459 | SAND | 814 | | GAS TEST NO GAS | 1118 | 1119 | COAL |
| 80 | 227 | SHALE | 459 | 485 | SANDY SHALE | 811 | 820 | SANDY SHALE | 1119 | 1126 | SHALE |
| 227 | 234 | LIME | 485 | 486 | BLACK SHALE OR COAL | 820 | 826 | SAND | 1126 | 1128 | COAL |
| 234 | 235 | SHALE | 486 | 489 | LIME | 826 | 839 | SANDY SHALE | 1128 | 1130 | SHALE |
| 235 | 253 | LIME | 489 | 600 | SANDY SHALE | 839 | 840 | COAL | 1130 | 1131 | COAL |
| 253 | 257 | SHALE | 600 | 602 | RED SHALE | 840 | 853 | SHALE | 1131 | 1133 | SHALE |
| 257 | 258 | COAL OR BLACK SHALE | 602 | 605 | SHALE | 853 | 854 | LIME | 1133 | 1142 | LIME SOME WATER |
| 258 | 267 | SHALE | 605 | 614 | LIME | 854 | 856 | BLACK SHALE | 1140 | | GAS TEST NO GAS |
| 267 | 268 | COAL OR BLACK SHALE | 614 | 625 | SAND DAMP | 856 | 872 | SANDY SHALE | 1142 | 1169 | BLACK SHALE |
| 268 | 272 | SHALE | 625 | 657 | SHALE | 872 | 875 | LIME | 1169 | 1209 | LIME MISSISSIPPI |
| 272 | 290 | LIME | 657 | 660 | COAL MULBERRY | 875 | 876 | COAL FLEMING | 1209 | | WATERED OUT |
| 290 | 297 | BLACK SHALE | 660 | 662 | SHALE | 876 | 883 | SHALE | | | |
| 297 | 306 | LIME | 662 | 670 | LIME | 883 | 884 | COAL | | | TD 1209' |
| 306 | 315 | SHALE | 670 | 688 | SHALE | 884 | 942 | SHALE | | | |
| 315 | 322 | LIME | 688 | 692 | LIME | 889 | | GAS TEST NO GAS | | | |
| 322 | 323 | SHALE | 689 | | WENT TO WATER | 942 | 955 | SAND | | | |
| 323 | 329 | LIME | 692 | 695 | SHALE | 955 | 961 | SANDY SHALE | | | |
| 329 | 338 | SHALE | 695 | 704 | LIME | 961 | 962 | BLACK SHALE OR COAL | | | |
| 338 | 350 | LIME | 704 | 719 | SHALE | 962 | 980 | BLACK SHALE | | | |
| 350 | 353 | SHALE | 719 | 723 | SAND | 980 | 1032 | SHALE | | | |
| 353 | 372 | LIME | 723 | 738 | LIMEY SHALE | 1032 | 1033 | LIME | | | |
| 372 | 375 | BLACK SHALE | 738 | 744 | BLACK SHALE SUMMIT | 1033 | 1040 | SHALE | | | |
| 375 | 378 | SHALE | 744 | 748 | LIME | 1040 | 1041 | COAL | | | |
| 378 | 400 | LIME DAMP | 748 | 750 | SHALE | 1041 | 1067 | SHALE | | | |
| 400 | 403 | SHALE | 750 | 756 | LIME | 1067 | 1068 | COAL | | | |
| 403 | 405 | BLACK SHALE | 756 | 762 | LIMEY SHALE | 1068 | 1082 | SHALE | | | |

Jan 06 03 01:48p MOKAT Drilling

16208795751

P.7