

RELEASED FROM CONFIDENTIAL
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Form ACO-1
September 1999
Form Must Be Typed

CONFIDENTIAL

ORIGINAL

Operator: License # 03926
 Name: MONARCH PETROLEUM CORPORATION
 Address: 309 West 7th Street, Suite 702
 City/State/Zip: Fort Worth, Texas 76102
 Purchaser: Duke Energy Field Services
 Operator Contact Person: W. Kenneth Hall
 Phone: (817) 877-3883
 Contractor: Name: Cheyenne Drilling
 License: 33375
 Wellsite Geologist: Bob Gattis
 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. _____

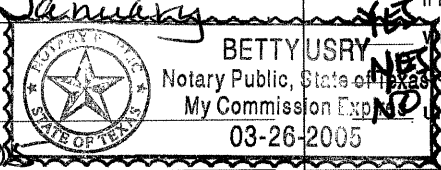
<u>12/17/04</u>	<u>12/19/04</u>	<u>1/13/05</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 071-20800-0000
 County: Greeley
SW SW SW NE Sec. 3 Twp. 18 S. R. 40 East West
2440 feet from S N (circle one) Line of Section
2440 feet from E W (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW SW
 Lease Name: Nix Well #: 2-3
 Field Name: Byerley
 Producing Formation: Towanda/Ft. Riley
 Elevation: Ground: 3581 Kelly Bushing: 3586
 Total Depth: 2975 Plug Back Total Depth: 2957
 Amount of Surface Pipe Set and Cemented at 329 Feet
 Multiple Stage Cementing Collar Used? Yes No
 If yes, show depth set _____ Feet
 If Alternate II completion, cement circulated from TD
 feet depth to Surface w/ 650 _____ sx cmt.
ALT II W/AM 8-16-06
Drilling Fluid Management Plan
 (Data must be collected from the Reserve Pit)
 Chloride content 74,000 ppm Fluid volume 480 bbls
 Dewatering method used Evaporation
 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: [Signature]
 Title: President Date: January 27, 2005
 Subscribed and sworn to before me this 27th day of January
2005
 Notary Public: [Signature]
 Date Commission Expires: 3-26-2005



KCC Office Use ONLY

Letter of Confidentiality Received
 If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 Distribution
RECEIVED
JAN 31 2005
KCC WICHITA

Operator Name: MONARCH PETROLEUM CORPORATION Lease Name: Nix Well #: 2-3
 Sec. 3 Twp. 18 S. R. 40 East West County: Greeley

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 <i>(Attach Additional Sheets)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input type="checkbox"/> Yes <input type="checkbox"/> No	Name	Top Datum
Cores Taken	<input type="checkbox"/> Yes <input type="checkbox"/> No	Anhydrite	1863
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Base Stone	2551
List All E. Logs Run:		Towanda	2890 DD
		Ft. Riley	2924 DD

Compensated Density Neutron
Dual Spaced Cement Bond

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CASING RECORD <input type="checkbox"/> New <input checked="" 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
Completion	7 7/8	4 1/2	10.5	2982	Lite	500	1/2# Flowseal
<i>KCC with 100% PROD</i>	12-25	8.625		329	Class C	150	

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 <i>(Amount and Kind of Material Used)</i>	Depth
2	2896-2909, 2914-2919, 2927-2937	1300 gal 15% Acid - 70 Balls	
		11,500# 12/20 SD & 4000# Resin Coated SD	
		286 BW	

TUBING RECORD		Size	Set At	Packer At	Liner Run	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
		2 3/8		2858		
Date of First, Resumerd Production, SWD or Enhr.			Producing Method			
			<input checked="" type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)			
Estimated Production Per 24 Hours	Oil Bbbs.	Gas Mcf	Water Bbbs.	Gas-Oil Ratio	Gravity	
		640	Mist			

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

(If vented, Submit ACO-18.)

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JAN 31 2005
KCC WICHITA

ALLIED CEMENTING CO., INC. 18553

Federal Tax I.D.#

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT: OAKLEY

CONFIDENTIAL

DATE <u>12-19-04</u>	SEC. <u>3</u>	TWP. <u>185</u>	RANGE <u>40W</u>	CALLED OUT	ON LOCATION <u>3:30 PM</u>	JOB START <u>7:00 AM</u>	JOB FINISH <u>8:00 AM</u>
LEASE <u>NEX</u>		WELL# <u>2-3</u>		LOCATION <u>TRIBUNE 4N-1/2E-S 2N</u>		COUNTY <u>GREELEY</u>	STATE <u>Ks</u>
OLD OR <input checked="" type="radio"/> NEW (Circle one)				ORIGINAL			

CONTRACTOR CHEYENNE DRILLING #11

TYPE OF JOB Production string

HOLE SIZE 7 7/8" T.D. 2975'

CASING SIZE 4 1/2" DEPTH 2982'

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. _____

PERFS. _____

DISPLACEMENT 47 1/2 BBL.

OWNER SAME ORIG.

CEMENT FROM 150 SKS CLASS "C"

~~CONFIDENTIAL~~ 500 SKS LITE 1/2" FLO-SEAL

<u>CLASS "C"</u>	<u>150 SKS @</u>	<u>10.95</u>	<u>1642.50</u>
POZMIX	<u>RECEIVED</u>		
GEL			
CHLORIDE	<u>JAN 31 2005</u>		
ASC	<u>KCC WICHITA</u>		
<u>LITE 500 SKS</u>	<u>@ 7.95</u>		<u>3975.00</u>
<u>FLO-SEAL 250#</u>	<u>@ 1.40</u>		<u>350.00</u>
HANDLING	<u>694 SKS @ 0.135</u>		<u>936.90</u>
MILEAGE	<u>05¢ PER SKI MILE</u>		<u>2255.50</u>
TOTAL			<u>9159.90</u>

EQUIPMENT

PUMP TRUCK # <u>191</u>	CEMENTER <u>TERRY</u>	HELPER <u>FUZZY</u>
BULK TRUCK # <u>386</u>	DRIVER <u>LOWNIE</u>	
BULK TRUCK # <u>347</u>	DRIVER <u>MIKE</u>	

REMARKS:

MIX 500SKS LITE 1/2" FLO-SEAL

150SKS CLASS "C" WASH PUMP

& LINES + DISPLACE 47 1/2 BBL

WATER.

PLUG LANDED AT 1500 PSI

FLOAT HELD

CEMENT DID CIRC.

THANK YOU

CHARGE TO: MONARCH PETROLEUM CORP.

STREET _____

CITY _____ STATE _____ ZIP _____

To Allied Cementing Co., Inc.

You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

SIGNATURE Joe Brongher

SERVICE

DEPTH OF JOB	<u>2982'</u>	
PUMP TRUCK CHARGE		<u>1180.00</u>
EXTRA FOOTAGE	@	
MILEAGE	<u>65 MI @ 4.00</u>	<u>260.00</u>
MANIFOLD	@	
<u>WAITING TIME 8 HRS</u>	<u>@ 125.00</u>	<u>1000.00</u>
TOTAL		<u>2440.00</u>

PLUG & FLOAT EQUIPMENT

<u>4 1/2"</u>		
<u>1- AFU FLOAT SITE</u>	@	<u>200.00</u>
<u>1- LATCH DOWN PLUG</u>	@	<u>300.00</u>
<u>8- CENTRALIZERS</u>	@ <u>45.00</u>	<u>360.00</u>
<u>2- BASKETS</u>	@ <u>116.00</u>	<u>232.00</u>
TOTAL		<u>1092.00</u>

TAX _____

TOTAL CHARGE 2440.00

DISCOUNT 2440.00 IF PAID IN 30 DAYS

PRINTED NAME _____



Bob Gaddis

CONFIDENTIAL

Certified Petroleum Geologist

Certified Professional Geologist

December 20, 2004

Monarch Petr. Corp.

Nix 2-3

RELEASED 3-18S-40W

Greeley Co., Kansas

ORIGINAL

CONFIDENTIAL

Gentlemen:

The captioned well was successfully drilled to a total depth of 2975'. 319' of 8 5/8" surface casing was run, landing at 329'. Our targets were the Lower Winfield (Towanda) and Ft. Riley sands.

We encountered the top of the Anhydrite zone at 1863' and the base of the Stone Corral formation at 2551'. The first attempt at running openhole logs found a "bridge" near the top of the Anhydrite. After re-entering the wellbore to circulate and condition the hole, our subsequent attempt to log was successful and found both of our targets to be well developed.

The Lower Winfield Sand (2890-2920' OA) has 24 feet of net pay (> 10% density porosity) that reaches 29% with 10-18% neutron porosity (good "gas effect").

The Ft. Riley Sand (2924-2954' OA) is lobey with good "gas effect" seen in the upper interval (2924-41') with 17 feet of net pay (> 10% density porosity) that reaches 26.5% and 11.5-14.5% neutron porosity.

Both of the targets are well developed and should be gas productive. It is recommended to run production casing and test these sands.

Respectfully



Bob Gaddis
CPG #3173, #7848

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JAN 31 2005

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