

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 # 32294
Name: OSBORN ENERGY, LLC
Address: 24850 FARLEY
City/State/Zip: BUCYRUS, KS 66013
Purchaser: AKAWA NATURAL GAS, LLC
Operator Contact Person: JEFF TAYLOR
Phone: (913) 533-9900
Contractor: Name: GLAZE DRILLING
License: 5885
Wellsite Geologist: MEREDITH PEARCE
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. _____
3/24/06 3/27/06 6/21/06
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 121-28117-0000
County: MIAMI
SW - SW - SW - Sec. 3 Twp. 16 S. R. 25 East West
330 feet from (S) / N (circle one) Line of Section
330 feet from E / (W) (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: MILLER Well #: 1
Field Name: PAOLA-RANTOUL
Producing Formation: MARMATON AND CHEROKEE
Elevation: Ground: 1091' Kelly Bushing: _____
Total Depth: 660' Plug Back Total Depth: _____
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 + 589
feet depth to 20 0 w/ -6 143 cc sx cmt.

Drilling Fluid Management Plan *Allen D. W. W. W.*
(Data must be collected from the Reserve Pit)
Chloride content _____ ppm Fluid volume _____ bbls
Dewatering method used _____
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: Meredith A. Pearce
Title: GEOLOGIST Date: July 26, 2006
Subscribed and sworn to before me this 26th day of July,
2006.
Notary Public: Erin R. Stephenson
Date Commission Expires: _____

Erin R. Stephenson
Notary Public
State of Kansas
My Appointment Expires 11/24/07

KCC Office Use ONLY
 Letter of Confidentiality Received
If Denied, Yes Date: 8-16-06
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
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Operator Name: OSBORN ENERGY, LLC Lease Name: MILLER Well #: 1
 Sec. 3 Twp. 16 S. R. 25 East West County: MIAMI

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 Yes No
 (Attach Additional Sheets)
 Samples Sent to Geological Survey Yes No
 Cores Taken Yes No
 Electric Log Run Yes No
 (Submit Copy)

Log Formation (Top), Depth and Datum Sample
 Name Top Datum
WELL LOG ATTACHED

List All E. Logs Run:

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"		20	PORTLAND	6	WATER
LINER	6 1/4"	4 1/2"		577.75'			
PROD. PIPE	9 1/2"	7"		589.25	Consolidated	Ticket	Attached

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
____ Perforate				
____ Protect Casing				
____ Plug Back TD				
____ 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 <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.	Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)			
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio Gravity
		10	25	

Disposition of Gas Vented Sold Used on Lease (If vented, Submit ACO-18.)
 METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled
 Other (Specify)

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Glaze Drilling Company

21139 S. Victory Rd.
 Spring Hill K.S. 66081
 Phone : (913) 592-2033
 Fax : (913) 592-2448
 glazedrilling@aol.com

CUSTOMER Osborn Energy
 LEASE NAME Miller
 WELL NUMBER #1
 SPUD DATE 3-24-06
 SURFACE SIZE 10" HOLE SIZE 9 1/2"

WELL LOG

20	Surface	20	
38	lime	58	
48	Shale	106	
10	lime	116	
35	Shale	151	
5	lime	156	
46	Shale	202	
8	lime	210	
14	Shale	224	
28	lime	252	
2	Shale	254	
1	Blk Slate	255	ogaw
2	Shale	257	
21	lime	278	

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		278	
2	Shale	280	
2	Blk Slate	282	
2	Lime	284	
5	Shale	289	
7	Lime	296	Hertha
29	Shale	325	
10	Shale (sandy)	335	
85	Shale	420	
7	Sandstone	427	lit oil show
4	Shale (sandy)	431	
4	Shale	472	
3	Blk Slate	475	very, very sm. puz.
13	Shale	508	
6	Lime	514	
4	sandy lime	518	
25	Shale (sandy)	543	
1	Lime	544	
7	Shale	551	
11	Lime	562	
28	Shale	590	
2	Blk Slate	592	16,000 CFM GAS total
9	Shale	601	
7	Blk Slate	608	22,000 CFM GAS total
12	Shale	620	38,000
10	Shale (sandy)	630	
30	Sandstone	660	T.D. 660
			total GAS
			38,000 CFA

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Geological Report

Miller #1-3

330 FSL, 330 FWL
Section 3-T16S-R25E
Miami Co., Kansas
API#15-121-28117
Elevation: 1091' GL
Drilling Contractor: Glaze Drilling (Lic. #5885)
Spud: 03-24-06
Production Bore Hole: 9 1/2"
Rotary Total Depth: 660' on 03-27-06
Drilling Fluid: air
Production Csg.: 7"
Geologist: Meredith Pearce

<u>Formation</u>	<u>Driller Log Tops</u>	<u>Datum</u>
Stark Shale	254'	837'
Hushpuckney Shale	280'	811'
Base Kansas City	296'	795'
"Upper" Knobtown Sand	No call	
"Middle" Knobtown Sand	No call	
"Lower" Knobtown Sand	No call	
Carbonaceous Zone in Tacket Fm.	No call	
"Big Lake" Sand	420'	671'
South Mound Zone	472'	619'
Hepler (Wayside) Sand	No call	
"Upper" Mulberry Zone	No call	
Mulberry Zone	No call	
Weiser Sand	No call	
Myrick Station	No call	
Anna Shale (Lexington Coal Zone)	Not developed	
Peru Sand	No call	
Summit Shale Zone	590'	501'
Mulky Coal/Shale Zone	601'	490'
Squirrel Sand	630'	461'
Rotary Total Depth	660'	

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Drilling at 200' in the Kansas City on 03-24-06

No gas kicks prior to this

Background Gas (BG) 11 units

200-210 LS: tan, calcite in fractures - SH: gy

210-220 SH: gy, silty

220-230 LS: brn, tan, calcite in fractures

230-240 LS: tan, calcite in fractures

240-250 LS: tan, calcite in fractures

STARK FORMATION driller called @254-255', no gas kick with this

****GAS TEST @260', No Open Flow****

250-260 SH: gy, dark gy, blk - LS: tan, calcite in fractures

CG @260 11 units, 10 BG

260-270 LS: tan, calcite in fractures

270-280 LS: tan, calcite in fractures - SH: gy

CG @280 10 units, 9 BG

HUSHPUCKNEY SHALE driller called @280-282', gas kick to 13 units, 3 over BG

****GAS TEST @300', No Open Flow****

280-290 SH: gy, dark gy, blk

290-300 SH: gy - LS: gy, tan, calcite in fractures

CG @300 15 units, 9 BG

300-310 SH: Lt gy, silty - LS: tan, gy, calcite in fractures

310-320 SH: gy, sandy in places - LS: gy, tan, calcite in fractures

CG @320 11 units, 9 BG

320-330 SH: gy, sandy in places, TR pyrite, TR coal

330-340 SH: gy, sandy in places, TR oil stain - LS: tan, calcite in fractures

CG @340 10 units, 9 BG

340-350 SH: gy

350-360 SH: gy, silty

CG @360 9 units, 8 BG

360-370 SH: gy

370-380 SH: gy, sandy in places - LS: brn

CG @380 9 units, 8 BG

380-390 SH: gy, silty

390-400 SH: gy, silty

CG @400 9 units, 8 BG

400-410 SH: gy

410-420 SH: g, TR coaly w/pyrite

CG @420 8 units, 7 BG

"BIG LAKE" SAND driller called 420-427', no kick with this

****GAS TEST @440', No Open Flow****

420-430 SS: clear, gy, white, free oil, free gas - SH: gy, sandy

430-440 SH: gy, sandy in places, oil stain, TR SS: clear

CG @440 8 units, 7 BG

440-450 SH: gy

450-460 SH: gy

CG @460 7 units, 6 BG

460-470 SH: gy

SOUTH MOUND ZONE driller called @472-475', gas kick to 50 units, 43 over BG

****GAS TEST @480', "puff" of gas****

470-480 SH: gy, dark gy, blk, free gas

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CG @480 214 units, 49 BG
480-490 SH: gy, TR coal, TR pyrite
490-500 SH: gy
CG @500 110 units, 48 BG
500-510 LS: tan, brn, calcite in fractures - SH: gy, sandy
510-520 LS: tan, gy, brn, calcite in fractures - SH: gy
Stopped drilling @520' at 5:30pm

Resumed drilling at 8am on 03-37-06
Break in line to gas chromatograph not resolved until Mulky
520-530 SH: gy, sandy, dark gy, pyritic, TR coaly w/free gas

LEXINGTON COAL ZONE not called, no gas kick with this

****GAS TEST @580', No increase****

530-540 SH: gy, sandy, dark gy, pyritic, TR blk w/slight free gas - SS: clear
CG @540 31 units, 30 BG
540-550 LS: tan, brn, calcite in fractures - SH: gy, sandy in places, TR blk
550-560 LS: tan, calcite in fractures - SH: gy
CG @560 26 units, 25 BG
560-570 LS: tan, gy, brn, calcite in fractures - SH: gy, dark gy, pyritic
570-580 SH: gy, dark gy, TR blk w/free gas, TR pyritic, TR LS: tan
CG @580 18 units, 17 BG
580-590 SH: gy - LS: tan, brn

SUMMIT SHALE ZONE driller called @590-592', gas kick to 18 units, 1 over BG

****GAS TEST @600', 16 MCF****

590-600 LS: brn, gy, calcite - SH: gy, blk w/slight free gas, TR pyritic
CG @600 17 units, 16 BG

MULKY COAL/SHALE ZONE driller called @601-608', gas kick to 16 units, 1 over BG

****GAS TEST @620', inc. 22 MCF, 38 MCF Total****

600-610 SH: blk w/free gas, gy, sandy in places
610-620 SH: gy, sandy in places, blk w/free gas, TR pyritic
Chromatograph line repaired, gas kick to 1232 units, 16 BG
CG @620 1224 units, 88 BG
620-630 SH: gy, sandy, TR blk w/free gas

SQUIRREL SAND driller called @630', gas kick to 336 units, 40 over BG

****GAS TEST @660', No increase, 38 MCF Total****

630-640 SS: clear, gy, TR coal, vv slight free gas
CG @640 1240 units, 272 BG
640-650 SS: clear, tan, gy
650-660 SS: clear, tan, gy
Total Rotary Depth 660' on 03-27-06

Brief Summary

Stark	No open flow
Hushpuckney	No open flow
South Mound	"puff" of gas
Mulberry(s)	
Lexington	
Summit	16 MCF
Mulky	22 MCF
Squirrel Sand	No increase
Total	38 MCF

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CONSOLIDATED OIL WELL SERVICES, INC.
P.O. BOX 884, CHANUTE, KS 66720
620-431-9210 OR 800-467-8676

TICKET NUMBER 08738
LOCATION Ottawa KS
FOREMAN Fred Mader

TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
7-6-06	6023	T. Miller #1	3	16	25	M1
CUSTOMER			TRUCK #			
Osborne Energy			DRIVER			
MAILING ADDRESS			TRUCK #			
24850 Farley			DRIVER			
CITY			TRUCK #			
Bucyrus			DRIVER			
STATE			TRUCK #			
KS			DRIVER			
ZIP CODE			TRUCK #			
66013			DRIVER			

JOB TYPE Long string HOLE SIZE 9 1/2 HOLE DEPTH ? CASING SIZE & WEIGHT 7"
 CASING DEPTH ? DRILL PIPE Casing Perforated @ 425' OTHER _____
 SLURRY WEIGHT _____ SLURRY VOL _____ WATER gal/sk _____ CEMENT LEFT in CASING 15'
 DISPLACEMENT 17.7 BBL DISPLACEMENT PSI 800* MIX PSI 600* RATE 4 BPM.

REMARKS: Establish Circulation down 7" casing @ perforations @ 425'. Mix Pump 50# Premium Gel Flush. Mix Pump 12 BBLs Tell tale dye. Follow w/146 sks 50/50 Por Mix 2% Gel Cement. Displace casing clear of cement w/ 17.7 BBL Fresh Water. Shut in casing.

Fred Mader

Customer Supplied Water

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE Cement Pump 368		800.00
5406	40 mi	MILEAGE Pump Truck 368		126.00
5407	Minimum	Truck Mileage 195		275.00
1124	143 sks	50/50 Por mix Cement		1265.50
1118B	295 #	Premium Gel		41.30
Sub Total				2507.80
Tax @ 6.3%				85.60

SALES TAX
ESTIMATED TOTAL 2593.45

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AUTHORIZATION _____

TITLE WO# 206840

DATE _____