

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

CONFIDENTIAL

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

Operator: License # 33239
Name: River Gas Chanute, LLC
Address: 509 Energy Center Blvd Suite 804
City/State/Zip: Northport, AL 35473
Purchaser: _____
Operator Contact Person: Randy Allen
Phone: (205) 345-9063
Contractor: Name: Pense Bros. Drilling Co., Inc.
License: 32980
Wellsite Geologist: Kim Runnels

API No. 15 - 001-29048-00-00
County: Allen
E/2 SE SW NE Sec. 8 Twp. 26 S. R. 20 East West
2277 feet from S (N) (circle one) Line of Section
1456 feet from (E) / W (circle one) Line of Section

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

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Cannon Well #: B3-8
Field Name: Cherokee Basin Coal Gas Area
Producing Formation: Cherokee Coals

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. _____

Elevation: Ground: 1022' Kelly Bushing: 1022'
Total Depth: 1195' Plug Back Total Depth: 1190.70'
Amount of Surface Pipe Set and Cemented at 22.5 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from _____
feet depth to _____ w/ _____ sx cmt.

1/15/04 1/20/04
Spud Date or Date Reached TD Completion Date or Recompletion Date

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)
Chloride content _____ ppm Fluid volume _____ bbls
Dewatering method used disposal well
Location of fluid disposal if hauled offsite: _____
Operator Name: River Gas Chanute, LLC
Lease Name: Fewins A4-9 SWD License No.: 33239
Quarter N/2 Sec. 9 Twp. 26 S. R. 20 East West
County: Allen Docket No.: D-28-290

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WICHTAIKS

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: _____ Date: April 29, 2004
Subscribed and sworn to before me this 29 day of April,
20 04.
Notary Public: [Signature]
Date Commission Expires: 4-11-05

KCC Office Use ONLY

YRS Letter of Confidentiality Received
If Denied, Yes Date: _____
____ Wireline Log Received
____ Geologist Report Received
____ UIC Distribution

X

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Side Two

ORIGINAL

Operator Name: River Gas Chanute, LLC

Lease Name: Cannon

Well #: 53-8

Sec. 8 Twp. 26 S. R. 20 East West

County: Allen

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)

List All E. Logs Run:

CNL/CDL
GR Deep Guard
GR Cement Bond

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Log Formation (Top), Depth and Datum Sample

Name Top Datum

CNL/CDL 30.20' - 1195.80'

GR Cement Bond .50' - 1187.40'

GR Deep Guard 30.20' - 1195.80'

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CASING RECORD New Used

Report all strings set-conductor, surface, intermediate, production, etc.

CONSERVATION DIVISION
WICHITA, KS

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 Casing	12 1/4"	8 5/8"	24	22.5'	60/40 POZ Mix	5	
Production Casing	77/8"	5 1/2"	15.5	1190.70'	60/40 POZ MIX	235	2 sxs 2% Gel, 5# Gilsomite, 5 bbis pad
							1/4# Floeal, 17 bbis dye water

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
	plan to perforate week of May 10, 2004		

TUBING RECORD	Size	Set At	Packer At	Liner Run
				<input type="checkbox"/> Yes <input type="checkbox"/> No

Date of First, Resumerd Production, SWD or Enhr.	Producing Method
shut in	<input type="checkbox"/> Flowing <input 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

Disposition of Gas Vented Sold Used on Lease (If vented, Submit ACO-18.)

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled Other (Specify) shut in waiting on completion

Production Interval _____

TERMS

In consideration of the prices to be charged for our services, equipment and products as set forth in Consolidated Oil Well Services, Inc's (COWS) current Price Schedule, and for the performance of services and supplying of materials; customer agrees to the following terms and conditions.

Terms. Cash in advance unless satisfactory credit is established. On credit sales, invoices payable to P.O. Box 884, Chanute, KS 66720. Invoices payable within 30 days of invoice date. Charges subjected to interest after 30 days from invoice date. Interest will be charged at Maximum rate allowed by law. In the event it is necessary to employ an attorney to enforce collection of such account, customer agrees pay all collection costs and attorney's fees in the amount of 20% of said amount.

Any applicable federal, state or local sales, use, occupation, consumer's or emergency taxes shall be added to the quoted price.

A sales tax reimbursement of 2% is applied to chemical and product charges for all services performed on oil and gas wells in the State of Texas.

All process license fees required to be paid to others will be added to the scheduled prices.

All prices are subject to change without notice.

SERVICE CONDITIONS

Customer warrants that the well is in proper condition to receive the services, equipment, products, and materials to be supplied by COWS.

"The customer shall at all time have complete care, custody, and control of the well, the drilling and production equipment at the well, and the premises about the well. A responsible representative of the customer shall be present to specify depths, pressures, or materials used for any service which is to be performed."

- (a) COWS shall not be responsible for, and customer shall secure COWS against any liability for damage to property of customer and of the well owner (if different from customer), unless caused by the willful misconduct or gross negligence of COWS, this provision applying to but not limited to sub-surface damage and surface damage arising from subsurface damage.
- (b) Customer shall be responsible for and secure COWS against any liability for reservoir loss or damage, or property damage resulting from sub-surface pressure, losing control of the well and/or a well blowout, unless such loss or damage is caused by the willful misconduct of gross negligence of COWS.

- (c) Customer shall be responsible for and secure COWS against any and all liability of whatsoever nature for damages as a result of a subsurface trespass, or an action in the nature thereof, arising from a service operation performed by COWS hereunder.
- (d) Customer shall be responsible for and secure COWS against any liability for injury to or death of persons, other than employees of COWS, or damage to property (including, but not limited to, injury to the well), or any damages whatsoever, irrespective of cause, growing out of or in any way connected with the use of radioactive material in the well hole, unless such damage shall be caused by the willful misconduct or gross negligence of COWS.
- (e) COWS makes no guarantee of the effectiveness of the products, supplies or materials, nor of the results of any treatment or services.
- (f) Because of the uncertainty of variable well conditions and the necessity of relying on facts and supporting services furnished by others, COWS is unable to guarantee the accuracy of any chart interpretation, research analysis, job recommendation or other data furnished by COWS. COWS personnel will use their best efforts in gathering such information and their best judgment in interpreting it, but customer agrees that COWS shall not be responsible for any damage arising from the use of such information except where due to COWS gross negligence or willful misconduct in the preparation or furnishing of it.

WARRANTIES - LIMITATION OF LIABILITY

COWS warrants only title to the products, supplies and materials and that the same are free from defects in workmanship and materials. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED OR MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. COWS's liability and customer's exclusive remedy in any cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale or use of any products, supplies or materials is expressly limited to the replacement of such products, supplies or materials on their return to COWS or, at COWS's option, to the allowance to the customer of credit for the cost of such items. In no event, shall COWS be liable for special, incidental, indirect, punitive or consequential damages.

COWS personnel will use their best efforts in gathering such information and their best judgement in interpreting it, but Customer agrees that COWS shall not be liable for and CUSTOMER SHALL INDEMNIFY AGAINST ANY DAMAGED ARISING FROM THE USE OF SUCH INFORMATION, even if such is contributed by the COWS negligence or fault.