

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

Operator: License # 32302
Name: Key Gas Corp.
Address: 155 N. Market Suite 900
City/State/Zip: Wichita, KS 67202
Purchaser: _____
Operator Contact Person: Rod Andersen
Phone: (316) 265-2270
Contractor: Name: Key Gas Corp.
License: 32302
Wellsite Geologist: Ted Yochems

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. _____

2-26-04 3-22-04 3-30-04
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15-185-23237-00-00
County: Stafford
SE NW SW Sec. 34 Twp 24 S. R. 12 East West
1650 feet from S / N (circle one) Line of Section
990 feet from E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: McMillian Well #: 2
Field Name: _____
Producing Formation: Viola
Elevation: Ground: 1881 Kelly Bushing: 1886
Total Depth: 4046 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 265' 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.

Drilling Fluid Management Plan ALTI WITH
(Data must be collected from the Reserve Pit) 4-3-07
Chloride content _____ ppm Fluid volume _____ bbls
Dewatering method used Evaporate & Fill
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: Ted Yochems
Title: Geologist Date: 7/21/04
Subscribed and sworn to before me this 21 day of JULY
2004
Notary Public: Bonita Danner
Date Commission Expires: 3-17-08

KCC Office Use ONLY
 Letter of Confidentiality Attached
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
BONITA DANNER
NOTARY PUBLIC
STATE OF KANSAS
My Appt. Exp. 3-17-08



Operator Name: Key Gas Corp. Lease Name: McMillian Well #: 2
 Sec. 34 Twp. 24 S. R. 12 East West County: Stafford

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:
 Dual Induction
 Dual Porosity

<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Name	Top	Datum
Topeka	3030	-1144
Heebner	3362	-1476
Lansing	3542	-1656
Viola	3946	-2060

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	# Sacjs Used	Type and Percent Additives
Surface	12 1/2	8 5/8	24 #	265	60/40 POZ	200	
Production	7 7/8	5 1/2		4015	Common	260	

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	3946-60	1000 Gal HCL	

TUBING RECORD	Size	Set At	Packer At	Liner Run
	2 7/8	3935		<input type="checkbox"/> Yes <input type="checkbox"/> No

Date of First, Resumerd Production, SWD or Enhr.	Producing Method
	<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
	75	50 MCF	40		

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

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled

Production Interval Other (Specify) _____



TREATMENT REPORT

Customer ID	Date
Customer <i>Key Gas Corp.</i>	<i>2-27-04</i>
Lease <i>McKillan</i>	Lease No. Well # <i>2-A</i>

Field Order # <i>7801</i>	Station <i>Pratt</i>	Casing <i>8 5/8 24"</i>	Depth <i>265'</i>	County <i>Stafford</i>	State <i>Ks.</i>
Type Job <i>8 5/8 S.P. New Well</i>			Formation	Legal Description <i>34-245-12W</i>	

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME		
Casing Size <i>8 5/8</i>	Tubing Size	Shots/Ft	<i>Cmt.</i>	Acid <i>200sk. 60/40POZ</i>		RATE	PRESS	ISIP
Depth <i>265</i>	Depth	From	To	Pre Pad <i>14.7 #/gal 1.25ft?</i>	Max			5 Min.
Volume <i>16.8</i>	Volume	From	To	Pad <i>2 #/gal 396G.C.</i>	Min			10 Min.
Max Press <i>500</i>	Max Press	From	To	Frac <i>1/4" CellFlake</i>	Avg			15 Min.
Wall Connection <i>F.C.</i>	Annulus Vol.	From	To	Flush <i>15.5 Bbls</i>	HHP Used			Annulus Pressure
Plug Depth <i>233</i>	Packer Depth	From	To		Gas Volume			Total Load

Customer Representative <i>Roger Kilgariff</i>	Station Manager <i>Dave Austry</i>	Treater <i>Bobby</i>
---	---------------------------------------	-------------------------

Service Units	<i>105</i>	<i>26</i>	<i>35</i>	<i>26</i>				
---------------	------------	-----------	-----------	-----------	--	--	--	--

Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
<i>4:00</i>					<i>On Location - Safety Meeting</i>
<i>4:40</i>					<i>Log On Bottom</i>
<i>4:56</i>					<i>Break Circulation w/ Rig</i>
<i>5:12</i>	<i>200</i>		<i>5</i>	<i>5.0</i>	<i>H2O Ahead</i>
<i>5:14</i>	<i>150</i>		<i>49</i>	<i>5.0</i>	<i>Mix Cmt. @ 14.7 #/gal</i>
<i>5:23</i>	<i>175</i>		<i>15.5</i>	<i>5.0</i>	<i>Start Disp.</i>
<i>5:26</i>	<i>100</i>				<i>Shut Down</i>
					<i>Circulation Thru Job</i>
					<i>Circulated Cmt. To Pit</i>
					<i>Job Complete</i>
					<i>Thanks, Bobby</i>

RECEIVED
 KANSAS CORPORATION COMMISSION
JUL 21 2004
 CONSERVATION DIVISION
 WICHITA, KS



INVOICE NO.
Date <i>2-27-04</i>
Customer ID

FIELD ORDER 7801

Subject to Correction

CHARGE

Lease <i>McMillan</i>	Well # <i>2-A</i>	Legal <i>34-245-12w</i>
County <i>Stafford</i>	State <i>Ks.</i>	Station <i>Pratt</i>
Depth	Formation	Shoe Joint <i>32.58</i>
Casing <i>8 7/8 24"</i>	Casing Depth <i>265</i>	TD <i>275</i>
Customer Representative <i>Roger K. Gariff</i>		Treater <i>Bobby Drake</i>
Job Type <i>8 7/8 S.P. New Well</i>		

AFE Number	PO Number
------------	-----------

Materials Received by **X** *R. K. Gariff*

Product Code	QUANTITY	MATERIAL, EQUIPMENT and SERVICES USED	UNIT PRICE	AMOUNT	ACCOUNTING	
					CORRECTION	AMOUNT
<i>D203</i>	<i>200SK.</i>	<i>60/40 Poz (Common)</i>	<i>✓</i>			
<i>C310</i>	<i>516 lb.</i>	<i>Calcium Chloride</i>	<i>✓</i>			
<i>C194</i>	<i>4316.</i>	<i>Cellflake</i>	<i>✓</i>			
<p>RECEIVED KANSAS CORPORATION COMMISSION JUL 21 2004 CONSERVATION DIVISION WICHITA, KS</p>						
						PAID
<i>E101</i>	<i>30mi.</i>	<i>Pickup Mileage 1-Way</i>				
<i>E107</i>	<i>200SK.</i>	<i>Com. Service Charge</i>				<i>CHECK # 3825</i>
<i>E100</i>	<i>30mi.</i>	<i>UNITS 1-Way MILES 30mi.</i>				
<i>E104</i>	<i>258 Tons</i>	<i>TONS MILES</i>				
<i>R200</i>	<i>1ea.</i>	<i>EA. 0-300' PUMP CHARGE</i>				
<i>Discounted Price INCLUDING TAX</i>						<i>\$2899.59</i>

10244 NE Hiway 61 · P.O. Box 8613 · Pratt, KS 67124-8613 · Phone (620) 672-1201 · Fax (620) 672-5383 TOTAL



RECEIVED

MAR 12 2004

SALES OFFICE:
 100 S. Main
 Suite #607
 Wichita KS 67202
 (316) 262-3699
 (316) 262-5799 FAX

SALES & SERVICE OFFICE:
 10244 NE Hiway 61
 P.O. Box 8613
 Pratt, KS 67124-8613
 (620) 672-1201
 (620) 672-5383 FAX

SALES & SERVICE OFFICE:
 1700 S. Country Estates Rd
 P.O. Box 129
 Liberal, KS 67905-0129
 (620) 624-2277
 (620) 624-2280 FAX

Invoice

Bill to:			6906000	Invoice	Invoice Date	Order	Order Date
Key Gas Corporation 155 N. Market, Suite 900 Wichita, KS 67202				402106	3/9/04	7801	2/27/04
Service Description							
Cement							
				Lease		Well	
				McMillan		2-A	
AFE	CustomerRep	Treater		Well Type	Purchase Order	Terms	
	R. Kilgariff	B. Drake		New Well		Net 30	

<u>ID.</u>	<u>Description</u>	<u>UOM</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Price</u>
D203	60/40 POZ (COMMON)	SK	200	\$7.84	\$1,568.00 (T)
C310	CALCIUM CHLORIDE	LBS	516	\$0.75	\$387.00 (T)
C194	CELLFLAKE	LB	43	\$2.00	\$86.00 (1)
E101	CAR, PICKUP OR VAN MILEAGE - 1 WAY	MI	30	\$2.00	\$60.00 (T)
E107	CEMENT SERVICE CHARGE	SK	200	\$1.50	\$300.00
E100	HEAVY VEHICLE MILEAGE - 1 WAY	MI	30	\$3.25	\$97.50
E104	PROPPANT / BULK DELIV SERVICES/TON MILE, \$200 MIN	TM	258	\$1.30	\$335.40
R200	CASING CEMENT PUMPER, 0-300' 1ST 4 HRS ON LOC.	EA	1	\$662.00	\$662.00

Sub Total: \$3,495.90

Discount: \$702.09

Discount Sub Total: \$2,793.81

Stafford County & State Tax Rate: 6.30% Taxes: \$105.78

(T) Taxable Item

Total: \$2,899.59

RECEIVED
KANSAS CORPORATION COMMISSION

JUL 21 2004

CONSERVATION DIVISION
WICHITA, KS

PAID 2/27/04 Ck #3825 —>\$2,899.59

PLEASE REMIT TO Acid Services, LLC, Dept No 1131 , Tulsa, OK 74182

Accounts become past due the last day of the month following billing. Interest rate 1.5% per month (18% per year) on past due accounts.

Key Gas
 McMillan ~~2-A~~ 2-A
 Stafford County, KS.

5 1/2" Longstring cement Procedure

CODE PRICE ESTIMATE

Cement

D204 260 sk. 50/50 POZ (Common) \$1,778.40

Chemicals

C195	195 lb	FLA-322	\$1,462.50
C221	1330 lb	Salt (fine)	\$332.50
C194	66 lb	Celflake	\$132.00

RECEIVED
 KANSAS CORPORATION COMMISSION

JUL 21 2004

CONSERVATION DIVISION
 WICHITA, KS

Float Equipment & Misc. Chemicals

C221	400 lb	Salt (fine)	\$100.00
F142	1 ea	Top Rubber Cement Plug, 4 1/2"	\$55.00
C302	500 gal.	Mud Flush	\$375.00

Equipment

E100	30 mi	Heavy Vehicle Mileage 1-way	30 miles	1 units	\$97.50
E107	260 sk	Cement Service Charge			\$390.00
E104	365 tm	Proppant and Bulk Delivery per ton Mile, \$200 min.	30 miles	12.2 tons	\$473.85
R209	1 ea	Casing Cement Pumper, 4001-4500'	First 4 hrs on location		\$1,764.00
R701	1 ea	Cement Head Rental			\$250.00
E101	30 mi	Car, Pickup or Van Mileage 1-way			\$60.00

Book Price Subtotal: \$7,270.75

Cash Subtotal	\$5,453.06
Sales Tax	\$200.12
Cash Price	\$5,653.19



INVOICE NO.		Subject to Correction			FIELD ORDER 8221		
Date	3-22-04	Lease	WINDMILL	Well #	2-A	Legal	34-2447
Customer ID		County	STAFFORD	State	KS	Station	PRATT
KEY GAS CORP		Depth	Formation		Shoe Joint		
Casing	1/2	Casing Depth	TD		Job Type		CONCRETE
Customer Representative			Treater				
ROBERT			H. CORNOR				

CHARGE

AFE Number	PO Number	Materials Received by	X Roger Kulej
------------	-----------	-----------------------	---------------

Product Code	QUANTITY	MATERIAL/EQUIPMENT and SERVICES USED	UNIT PRICE	AMOUNT	ACCOUNTING	
					CORRECTION	AMOUNT
D204	260 sk.	50/50 F02 CEMENT				
C194	66 lb	CEMENT				
C195	195 lb	FLA-302				
C221	1330 lb	SILICA				
C221	400 lb	SILICA				
C302	50 gal	WIND PUMP				
F142	1 EA	4 1/2" TOP RUBBER PUMP				
E100	30 min	HEAVY WELT WIRE				
E101	30 min	HEAVY WELT WIRE				
E104	365 lb	BULK CEMENT				
E107	260 sk.	CEMENT SAND				
E209	1 EA	CASING PUMP HEAD				
E70	1 EA	CEMENT HEAD				
				DISCOUNTED	SUB TOTAL	5,453.06
					SALES TAX	200.12
				TOTAL		5,653.19

RECEIVED
 KANSAS CORPORATION COMMISSION
 JUL 21 2004
 CONSERVATION DIVISION
 WICHITA, KS

10244 NE Hiway 61 · P.O. Box 8613 · Pratt, KS 67124-8613 · Phone (620) 672-1201 · Fax (620) 672-5383

Taylor Printing, Inc.

White - Accounting • Canary - Customer • Pink - Field Office

TREATMENT REPORT



Customer ID		Date	
Customer <i>RED CAT CORP.</i>		<i>3-22-04</i>	
Lease <i>McMILLAN</i>		Lease No.	Well # <i>2-A</i>
Field Order # <i>8221</i>	Station <i>PROSS H₂</i>	Casing <i>4 1/2</i>	Depth
Type Job <i>LOW PRESSURE - NW</i>		County <i>STAFFORD</i>	State <i>Ks</i>
		Formation	Legal Description <i>34-24-12</i>

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME		
Casing Size <i>4 1/2</i>	Tubing Size	Shot/PT		Acid		RATE	PRESS	ISP
Depth	Depth	From	To	Pre Pad				5 Min.
Volume	Volume	From	To	Pad				10 Min.
Max Press	Max Press	From	To	Free				15 Min.
Well Connection	Annulus Vol.	From	To			H-IP Used		Annulus Pressure
Plug Depth	Packer Depth	From	To	Flush		Gas Volume		Total Load

Customer Representative <i>Red Cat</i>	Station Manager <i>Andrew</i>	Trucker <i>Carlson</i>
--	-------------------------------	------------------------

Service Units	<i>107</i>	<i>26</i>	<i>35</i>	<i>20</i>				
---------------	------------	-----------	-----------	-----------	--	--	--	--

Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
<i>2145</i>					<i>ON LOCATION</i>
					<i>4 1/2 CSB ON BOTTOM - CORE</i>
<i>2215</i>	<i>300</i>		<i>20</i>	<i>4 1/2</i>	<i>PUMP 20 bbl START PUMPS</i>
	<i>300</i>		<i>12</i>	<i>4 1/2</i>	<i>PUMP 12 bbl MUD FLUSH</i>
	<i>300</i>		<i>3</i>	<i>4 1/2</i>	<i>PUMP 3 bbl H₂O</i>
	<i>200</i>		<i>58</i>	<i>4 1/2</i>	<i>MIX & 26.5K 50/50 PZ</i>
					<i>10% SURF, 90% FEA 32 1/4 #CF</i>
					<i>STOP - WAIT LOW PRESSURE</i>
	<i>0</i>		<i>0</i>	<i>4 1/2</i>	<i>START DISP - COST CORE</i>
	<i>300</i>		<i>35</i>	<i>4 1/2</i>	<i>LEFT COMPONENT - CORE</i>
	<i>800</i>		<i>55</i>	<i>3</i>	<i>SLOW RATE</i>
<i>2245</i>	<i>1200</i>		<i>63</i>	<i>3</i>	<i>PAUSE DOWN</i>
					<i>RELEASE - HOLD</i>

RECEIVED
 KANSAS CORPORATION COMMISSION
 JUL 21 2004
 CONSERVATION DIVISION
 WICHITA, KS

JOB COMPLETE
THANKS - [Signature]