

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

RECEIVED

Form ACO-1  
September 1999  
Form Must Be Typed

**ORIGINAL**

**WELL COMPLETION FORM**

WELL HISTORY - DESCRIPTION OF WELL & LEASE **KCC WICHITA**

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: Ace Drilling  
License: 33006  
Wellsite Geologist: Curtis E. Covey DPW/KCC

Designate Type of Completion:  
 New Well  Re-Entry  Workover  
 Oil  SWD  SIOW  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. \_\_\_\_\_

5-27-03 6-17-03 4-20-04  
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 199-20297-0000  
County: Wallace  
SE-SW-NW Sec. 14 Twp. 14 S. R. 39  East  West  
2310 feet from S /  (circle one) Line of Section  
990 feet from E /  (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE SE  NW SW  
Lease Name: Schmalzried Well #: 1-14  
Field Name: \_\_\_\_\_  
Producing Formation: \_\_\_\_\_  
Elevation: Ground: 3561 Kelly Bushing: 3566  
Total Depth: 5150 Plug Back Total Depth: 1000  
Amount of Surface Pipe Set and Cemented at 252' 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 ACT II P&A per Dist 4  
(Data must be collected from the Reserve Pit) DPW 7-16-04  
Chloride content \_\_\_\_\_ ppm Fluid volume \_\_\_\_\_ bbls  
Dewatering method used Evaporate and 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: Rod Andersen  
Title: Geologist Date: 7/12/04  
Subscribed and sworn to before me this 12<sup>th</sup> day of July, 2004  
Notary Public: Susan A. Farrell  
Notary Public - State of Kansas  
Susan A. Farrell  
My Appointment Expires 2-2-2008  
Date Commission Expires: 2-2-2008

**KCC Office Use ONLY**

Letter of Confidentiality Attached  
If Denied, Yes  Date: KCC  
 Wireline Log Received  
 Geologist Report Received JUL 13 2004  
 UIC Distribution  
HAYS, KS

Operator Name: Key Gas Corp. Lease Name: Schmalzried Well #: 1-14  
 Sec. 14 Twp. 14 S. R. 39  East  West County: Wallace

**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  
 Micro Log

Log Formation (Top), Depth and Datum  Sample

Name	Top	Datum
Topeka	3953	-387
Heebner	4102	-536
Lansing	4156	-590
Morrow	4876	-1310
St. Genevieve	5003	-1437

**CASING RECORD**  New  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	# Sacs Used	Type and Percent Additives
Surface	12 1/4"	8 5/8		252'	60/40 P02	160	
Production	7 7/8	4 1/2		1000		225	DPW KCC

**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	920-950	500 gal	

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

Date of First, Resumed 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
-----------------------------------	-----------	---------	-------------	---------------	---------

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

METHOD OF COMPLETION  Open Hole  Perf.  Dually Comp.  Commingled  Other (Specify) \_\_\_\_\_

Production Interval \_\_\_\_\_

# SWIFT SERVICES, INC.

PO BOX 466

NESS CITY, 67560-0466

RECEIVED

# Invoice

AUG 13 2003

DATE	INVOICE #
6/18/03	5622

BILL TO
Key Gas
155 115 N. Market, Suite 900
Wichita, KS 67202

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Operator	Job Purpose
Net 30	1	Schmalzries	Wallace	Ace Drilling	Gas	Development	Wayne	5 1/2" Longst...

PRICE REFERE...	DESCRIPTION	QTY	UNIT PRICE	AMOUNT
575D	Milage	120	2.50	300.00
578D	Pump Service	1	1,200.00	1,200.00
221	Liquid KCL	2	19.00	38.00T
281	Mud Flush	500	0.60	300.00T
405-5	5 1/2" Formation Packer Shoe	1	1,250.00	1,250.00T
406-5	5 1/2" Latch Down Plug & Baffle	1	200.00	200.00T
402-5	5 1/2" Centralizers	6	44.00	264.00T
403-5	5 1/2" Cement Basket	2	125.00	250.00T
330	Swift Multi-Density	225	9.75	2,193.75T
276	Flocele	56	0.90	50.40T
581D	Service Charge Cement	225	1.00	225.00
583D	Drayage	1,339.56	0.85	1,138.63
	Subtotal			7,409.78
	Sales Tax		5.30%	240.95

RECEIVED  
JUL 14 2004  
KCC WICHITA

KCC  
JUL 13 2004  
HAYS, KS

Thank you for your business.

Total

\$7,650.73



CHARGE TO: <b>KEY GAS CORP</b>
ADDRESS
CITY, STATE, ZIP CODE

TICKET

No 5622

PAGE	OF
1	1

SERVICE LOCATIONS 1. <b>NESS CITY, KS</b>	WELL/PROJECT NO. # <b>1</b>	LEASE <b>SCHMALZREB</b>	COUNTY/PARISH <b>WALLACE</b>	STATE <b>KS</b>	CITY	DATE <b>6-18-03</b>	OWNER <b>SAME</b>
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <b>ACE DRILLING</b>	RIG NAME/NO.	SHIPPED VIA <b>CT</b>	DELIVERED TO <b>LOLAND</b>	ORDER NO.	
3.	WELL TYPE <b>GAS</b>	WELL CATEGORY <b>DEVELOPMENT</b>	JOB PURPOSE <b>5 1/2" LONGSTRONG</b>	WELL PERMIT NO.	WELL LOCATION <b>WALLACE, KS - 6S, 1 1/4", 1 1/2"</b>		
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UNIT PRICE		AMOUNT
		LOC	ACCT	DF		QTY.	UM	QTY.	UM	
575		1			MILEAGE * 106	120	ME		2.50	300.00
573		1			PUMP SERVICE	1	JOBS		1200.00	1200.00
221		1			LEADS KCI	2	GAL		19.00	38.00
281		1			MUD FLUSH	500	GAL		.60	300.00
405		1			PACKER SHOE	1	KA	5 1/2"	1250.00	1250.00
406		1			LATCH DOWN PUG - BAFFLE	1	KA		200.00	200.00
402	RECEIVED	1			CENTRALIZERS	6	SA		44.00	264.00
403	JUL 14 2004	1			CEMENT BASKETS	2	SA		125.00	250.00
330	KCC WICHITA	1			SWIFT MULTI-DESIGN STAMPS	225	SHS		9.75	2193.75
276		1			FLOCCS	56	BS		.90	50.40
581		1			SERVICE CHARGE CEMT	225	SHS		1.00	225.00
583		1			DRAYAGE	22326	UBS	1339.56	TM	1138.63

LEGAL TERMS: Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

X *Alan L. Curtis*  
DATE SIGNED: 6-18-03  
TIME SIGNED: 1300  
 A.M.  
 P.M.

REMIT PAYMENT TO:  
**SWIFT SERVICES, INC.**  
P.O. BOX 466  
NESS CITY, KS 67560  
785-798-2300

SURVEY	AGREE	UN-DECIDED	DIS-AGREE	PAGE TOTAL	7409.78
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?					9365.98
WE UNDERSTOOD AND MET YOUR NEEDS?					
OUR SERVICE WAS PERFORMED WITHOUT DELAY?					
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				TAX	240.95
ARE YOU SATISFIED WITH OUR SERVICE?				TOTAL	7650.73
<input type="checkbox"/> YES <input checked="" type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND					

CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES The customer hereby acknowledges receipt of the materials and services listed on this ticket.

SWIFT OPERATOR: *Wade Wason*  
APPROVAL

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 6-18-03 PAGE NO. 1

CUSTOMER KEY GAS CORP. WELL NO. #1 LEASE SCHMALZATES JOB TYPE 5/2" LONGSTORY TICKET NO. 5622

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL/GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1200							ON LOCATION
	1515							START 5/2" CASING IN WELL
								TD - 5150 SET @ 1319.43
								TP - 1319.43 5/2 - 17 #/FT
								SS - 40.36
								CENTRALIZERS - 1, 3, 5, 11, 18, 25
								CEMENT BASKETS - 1, 12
	1615							BREAK CIRCULATION
	1640				✓	1100		DROP BALL - SET PER SHOE
	1641	5	12		✓	350		PUMP MUDFLUSH
	1644	5	20		✓	350		PUMP KCL - PREFLUSH
	1650							PLUG RATHOLE - MOOSEHOLE (25 SKS)
	1655		55.4		✓	300		MIX CONC. - 100 SKS @ 11.2 PP6
			19.1					50 SKS @ 12.5 PP6
			14.1					50 SKS @ 14.0 PP6
	1715							WASH OUT PUMP - LOGS
	1716							RELEASE WASH DOWN PUG
	1718	6	0		✓			DISPLACE PUG
		5	29			800		
	1722				✓	1500		PUG DOWN - PST UP
								RECEIVED JUL 14 2004 KCG WICHITA
						OK		RELEASE PST - HELD
								CIRCULATED 50 SKS TO PST
	1800							WASH-UP JOB COMPLETE
								THANK YOU
								WAKE, DUTY, JASON

KCC  
JUL 13 2004  
HAYS, KS

✓



**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  
 (316) 672-1201  
 (316) 672-5383 FAX

**ACIDIZING - FRACTURING - CEMENTING**

## Invoice

<b>Bill to:</b>			6906000	<b>Invoice</b>	<b>Invoice Date</b>	<b>Order</b>	<b>Order Date</b>
Key Gas Corporation 155 N. Market, Suite 900 Wichita, KS 67202				305118	5/31/03	6524	5/28/03
<b>Service Description</b>							
Cement							
<b>Lease:</b>						<b>Well</b>	
Schmaisried						1	
<b>AFE</b>	<b>CustomerRep</b>	<b>Treater</b>	<b>Well Type</b>	<b>Purchase Order</b>	<b>Terms</b>		
		S. Frederick	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	160	\$7.84	\$1,254.40 (T)
C310	CALCIUM CHLORIDE	LBS	480	\$0.75	\$360.00 (T)
C194	CELLFLAKE	LB	34	\$2.00	\$68.00 (T)
F163	WOODEN CEMENT PLUG, 8 5/8"	EA	1	\$85.00	\$85.00 (T)
R701	CEMENT HEAD RENTAL	EA	1	\$250.00	\$250.00
E107	CEMENT SERVICE CHARGE	SK	160	\$1.50	\$240.00
E100	HEAVY VEHICLE MILEAGE - 1 WAY	MI	200	\$3.25	\$650.00
E104	PROPPANT / BULK DELIV SERVICES/TON MILE, \$200 MIN	TM	1360	\$1.30	\$1,768.00
R200	CASING CEMENT PUMPER, 0-300' 1ST 4 HRS ON LOC.	EA	1	\$662.00	\$662.00

**Sub Total:** \$5,337.40

**Discount:** \$1,293.89

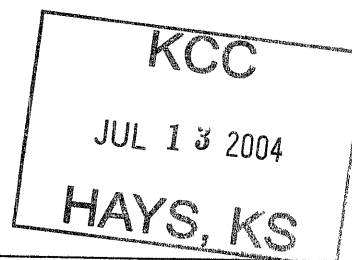
**Discount Sub Total:** \$4,043.51

**Tax Rate:** 6.30% **Taxes:** \$84.35

(T) Taxable Item

**Total:** \$4,127.86

RECEIVED  
 JUL 14 2004  
 KCC WICHITA



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.

# TREATMENT REPORT



Customer ID	Date
Customer <b>TEA KEY GAS</b>	<b>5-28-03</b>
Lease <b>Schmaissried</b>	Lease No.
	Well # <b>1</b>

Field Order # <b>6524</b>	Station <b>LIBERAL</b>	Casing <b>8 5/8</b>	Depth <b>250</b>	County <b>WALLACE</b>	State <b>KS</b>
Type Job <b>8 5/8 Surface</b>			Formation	Legal Description <b>14-145-39W</b>	

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME		
Casing Size <b>8 5/8</b>	Tubing Size	Shots/Ft		Acid <b>11.0 SK 60/40 PZ</b>		RATE	PRESS	ISIP
Depth <b>250</b>	Depth	From	To	Pre Pad <b>3% CC-1/4" Cell Pak</b>		Max		5 Min.
Volume <b>15</b>	Volume	From	To	Pad		Min		10 Min.
Max Press <b>1000</b>	Max Press	From	To	Frac		Avg		15 Min.
Well Connection <b>P.C.</b>	Annulus Vol.	From	To			HHP Used		Annulus Pressure
Plug Depth	Packer Depth	From	To	Flush <b>WATER</b>		Gas Volume		Total Load

Customer Representative	Station Manager <b>Dirk MORRIS</b>	Treater <b>Shaun FREDERICK</b>
-------------------------	---------------------------------------	-----------------------------------

Service Units	<b>108</b>	<b>28</b>	<b>38</b>	<b>71</b>
---------------	------------	-----------	-----------	-----------

Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
0530					ON LOCATION
0535					PRE-JOB SAFETY MEETING
0540					RIG UP P.T.
0545					START IN HOLE with CASING
0710					CASING ON BOTTOM / Hook UP P.C.
0720					BREAK CIR w/ RIG
0727					Through CIR / Hook Lines To P.T.
0730	100		37	3	Pump 11.0 SK 60/40 PZ @ 14.5#
0738					Shut Down / Drop Plug
0740	50		14.5	2	Pump Disp
0745	100		-	2	CONT TO P.T (5 BBLs in)
0755	150		-		Shut Down / Shot in
0830					JOB COMPLETE

RECEIVED

JUL 14 2004

KCC WICHITA

KCC

JUL 13 2004

HAYS, KS



INVOICE NO.	Subject to Correction			<b>FIELD ORDER</b>	6524
Date 5-28-03	Lease Schmaisried	Well # 1	Legal 14-145-39w		
Customer ID	County WALLACE	State KS	Station LIBERAL		
CHARGE KEY GAS CORP	Depth 250	Formation		Shoe Joint 20 ft	
	Casing 8 5/8	Casing Depth 250	TD 270	Job Type 8 5/8 Surface	
Customer Representative			Treater SHAUN FREDERICK		

AFE Number \_\_\_\_\_ PO Number \_\_\_\_\_ Materials Received by **X. Fred Payne**

Product Code	QUANTITY	MATERIAL, EQUIPMENT and SERVICES USED	UNIT PRICE	AMOUNT	ACCOUNTING	
					CORRECTION	AMOUNT
D203	160sk	60/40 Poz (commo)	✓			
C310	480lb	CALCIUM CHLORIDE	✓			
C194	34lb	CELL FLAKE	✓			
F163	1ea	WOODEN PLUG 8 5/8	✓			
R701	1ea	CMT HEAD RENTAL				
E107	160sk	CMT SERVICE CHARGE				
E100	200mile	UNITS 1 MILES 1way				
E104	1360tm	TONS 6.8 MILES 200				
R200	1ea	EA. 4 hrs PUMP CHARGE				
RECEIVED						
JUL 14 2004						
KCC WICHITA						
Discount TOTAL						
PLUS TAX					4043.51	

**KCC**  
 JUL 13 2004  
**HAYS, KS**

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

TOTAL





RECEIVED  
JUN 03 2003

**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  
(316) 672-1201  
(316) 672-5383 FAX

**ACIDIZING - FRACTURING - CEMENTING**

**Invoice**

<b>Bill to:</b>		6906000	<b>Invoice</b>	<b>Invoice Date</b>	<b>Order</b>	<b>Order Date</b>
Key Gas Corporation 155 N. Market, Suite 900 Wichita, KS 67202			305118	5/31/03	6524	5/28/03
<b>Service Description</b>						
Cement						
<b>Lease</b>				<b>Well</b>		
Schmaisried				1		
<b>ATE</b>	<b>CustomerRep</b>	<b>Treater</b>	<b>Well Type</b>	<b>Purchase Order</b>	<b>Terms</b>	
		S. Frederick	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	160	\$7.84	\$1,254.40 (T)
C310	CALCIUM CHLORIDE	LBS	480	\$0.75	\$360.00 (T)
C194	CELLFLAKE	LB	34	\$2.00	\$68.00 (T)
F163	WOODEN CEMENT PLUG, 8 5/8"	EA	1	\$85.00	\$85.00 (T)
R701	CEMENT HEAD RENTAL	EA	1	\$250.00	\$250.00
E107	CEMENT SERVICE CHARGE	SK	160	\$1.50	\$240.00
E100	HEAVY VEHICLE MILEAGE - 1 WAY	MI	200	\$3.25	\$650.00
E104	PROPPANT / BULK DELIV SERVICES/TON MILE, \$200 MIN	TM	1360	\$1.30	\$1,768.00
R200	CASING CEMENT PUMPER, 0-300' 1ST 4 HRS ON LOC.	EA	1	\$662.00	\$662.00

**Sub Total:** \$5,337.40

**Discount:** \$1,293.89

**Discount Sub Total:** \$4,043.51

**Tax Rate:** 6.30%

**Taxes:** \$84.35

(T) Taxable Item

**Total:** \$4,127.86

6/5/03  
Spoke w/ Dan  
This has been paid  
by check # 2179  
no further pmt  
needed

RECEIVED  
JUL 14 2004  
KCC WICHITA

KCC  
JUL 13 2004  
HAYS, KS

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.