

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

CONFIDENTIAL

ORIGINAL

Operator: License # 33138
Name: Meritage KCM Exploration, LLC
Address: 1600 Broadway, Suite 1360
City/State/Zip: Denver, Colorado 80202
Purchaser: _____
Operator Contact Person: Jeff Vaughan
Phone: (303) 832-7463
Contractor: Name: MOKAT
License: 5831
Wellsite Geologist: Larry Weis

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. _____

<u>10-16-03</u>	<u>10-18-03</u>	<u>10-31-03</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 003-24241-00-00
County: Anderson
NE - se - ne - sw Sec. 26 Twp. 19 S. R. 19 East West
1700 feet from (S) N (circle one) Line of Section
2600 2400 feet from E (W) (circle one) Line of Section

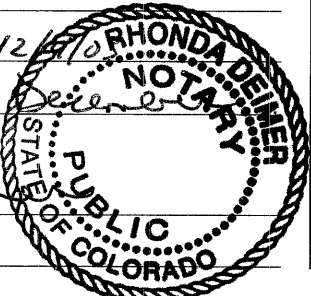
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Gretencord Well #: 26-23
Field Name: FCBCA
Producing Formation: Cherokee Coals
Elevation: Ground: 1009' Kelly Bushing: _____
Total Depth: 1215' Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 22 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
(Data must be collected from the Reserve Pit) *ACT II WITH 4-24-07*
Chloride content _____ ppm Fluid volume _____ bbls
Dewatering method used _____
Location of fluid disposal if hauled offsite: **RECEIVED KANSAS CORPORATION COMMISSION**
Operator Name: _____
Lease Name: _____ License No.: **DEC 09 2003**
Quarter _____ Sec. _____ Twp. **CONSERVATION DIVISION** East West
County: _____ Docket No.: **WICHITA, KS**

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: Production MGR. Date: 12/10/03
Subscribed and sworn to before me this 4th day of December
2003
Notary Public: Rhonda Deemer
Date Commission Expires: 2-18-2005



KCC Office Use ONLY

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

Operator Name: Meritage KCM Exploration, LLC Lease Name: Gretencord Well #: 26-23
 Sec. 26 Twp. 19 S. R. 19 East West County: Anderson

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 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: High Resolution Compensated Density Neutron Dual Induction SFL/GR	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>Log Name</th> <th>Formation (Top), Depth and Datum</th> <th>Sample Datum</th> </tr> </thead> <tbody> <tr> <td>Mulberry</td> <td>664</td> <td>+345</td> </tr> <tr> <td>Little Osage Shale</td> <td>746</td> <td>+263</td> </tr> <tr> <td>Fleming</td> <td>883</td> <td>+126</td> </tr> <tr> <td>Scammon</td> <td>736</td> <td>+73</td> </tr> <tr> <td>Rowe</td> <td>1086</td> <td>-77</td> </tr> </tbody> </table>	Log Name	Formation (Top), Depth and Datum	Sample Datum	Mulberry	664	+345	Little Osage Shale	746	+263	Fleming	883	+126	Scammon	736	+73	Rowe	1086	-77
Log Name	Formation (Top), Depth and Datum	Sample Datum																	
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CASING RECORD <input checked="" 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	12-1/4"	8-5/8"	32#	22'	Portland	4	
Production	7-7/8"	5-1/2"	17#	1197'	Thick Set	165	8# Coal Seal/sk
							1/8# Flocele

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				

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Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type		Acid, Fracture, Shot, Cement Squeeze Record	
	Specify Footage of Each Interval Perforated		(Amount and Kind of Material Used)	
4	843.5' - 845.5'		Broke down perms with 15% HCl acid.	
4	858.5' - 860.5'		Frac w/ 1,606 bbls water and 24,500#	
4	882.5' - 884.5'		10/20 sand.	
4	891.5' - 893.5'			
4	913' - 915'			

TUBING RECORD	Size	Set At	Packer At	Liner Run
	2-7/8"	1163'	N/A	Yes <input checked="" type="checkbox"/> No

Date of First, Resumed Production, SWD or Enhr.		Producing Method					
De-watering		Flowing	<input checked="" type="checkbox"/> Pumping	Gas Lift	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 Open Hole Perf. Dually Comp. Commingled _____
(If vented, Sumit ACO-18.) Other (Specify) _____

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Meritage KCM Exploration, LLC
Gretencord 26-23
Section 26-T19S-R19E
Anderson County

Shots Per Foot	Perforation Record	Acid, Fracture, Cement Squeeze Record	Depth
4	920' – 922'	fracture	
4	1093' – 1095'	fracture	
4	1126.5' – 1129.5'	fracture	
4	1133' – 1136'	fracture	
4	1139.5' – 1141.5'	fracture	
4	1145.5' – 1147.5'	fracture	

Air Drilling
Specialist
Oil and Gas Wells



M.O.K.A.T. DRILLING
Office Phone: (620) 879-5377



P.O. Box 590
Caney, KS 67333

Operator	MERITAGE KCM EXPLORATION	Well No.	26-23	Lease	GRETENCORD	Loc.	1/4 1/4 1/4	Sec.	26	Twp.	19	Rge.	19E
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County	ANDERSON	State	KS	Type/Well		Depth	1215'	Hours		Date Started	10/16/03	Date Completed	10/17/03
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Job No.	Casing Used	Bit Record						Coring Record					
		Bit No.	Type	size	From	To	Bit No.	type	Size	From	To	% Rec.	
	20' OF 8 5/8"			7 7/8"									
Driller	Cement Used												
TOOTIE													
Driller	Rig No.												
	#1												
Driller	Hammer No.												

Formation Record

From	To	Formation	From	To	Formation	From	To	Formation	From	To	Formation
0	5	OVERBURDEN	462	495	SAND (WATER)	1014	1082	SHALE			
5	14	LIME	495	520	SANDY SHALE	1082	1084	COAL			
14	17	SHALE	520	605	SHALE	1084	1086	SHALE			
17	25	LIME	605	611	LIMEY SHALE	1086	1088	COAL			
25	32	SHALE	611	618	LIME	1088	1125	SHALE			
32	67	LIME	618	655	SANDY SHALE	1125	1128	COAL			
67	72	SHALE	655	658	BLK SHALE, COAL	1128	1132	SHALE			
72	230	SANDY SHALE	658	665	SHALE	1132	1135	COAL			
230	232	LIME	665	668	COAL?	1135	1183	SHALE			
232	233	SHALE	668	674	SHALE	1183	1215	MISS LIME			
233	257	LIME	674	678	LIME						
257	280	SHALE	678	695	SHALE			T.D. 1215'			
280	287	LIMEY SHALE	695	701	LIME (PAWNEE)						
287	325	SHALE	701	710	LIMEY SHALE						
325	333	LIME	710	715	SHALE						
333	335	BLK SHALE	715	725	LIMEY SHALE						
335	341	LIME	725	738	LIME (OSWEGO)						
341	350	SHALE	738	743	BLK SHALE						
350	380	LIME	743	746	LIME						
380	382	SHALE	746	758	SHALE						
382	383	LIME	758	760	LIME						
383	386	SHALE	760	769	SHALE						
386	387	BLK SHALE, OR COAL	769	771	COAL, BLK SHALE						
387	412	LIME	771	820	SHALE						
412	415	GRAY SHALE	820	824	BLK SHALE						
415	418	BLK SHALE	824	840	SHALE						
418	421	LIME	840	980	SANDY SHALE						
421	425	SHALE	980	982	COAL						
425	429	LIME	982	985	SHALE						
429	445	SANDY SHALE	985	1012	SAND						
445	462	SHALE	1012	1014	COAL						

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**BLUE STAR
ACID SERVICE, INC.**

PO Box 103
Eureka, Kansas 67045

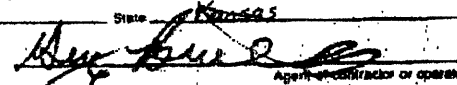
Commenting Ticket
and Invoice Number

No 5038

Date 10-18-03	Customer Order No.	Seci.	Trp.	Range	Truck Called Out	On Location 8:45am	Job Began 10:00am	Job Completed 11:15am
Owner Meritage KCM Exploration	Contractor Hurricanes Well Serv			Charge To Meritage KCM Exploration				
Mailing Address 115 North OAK		City GARNETT			State Ks 66032			
Well No. & Firm Gretecard 26-23	Place		County Anderson		State Kansas			
Depth of Well 1215'	Depth of Job 1199'	Casing (New/Used)	Size 5 1/2"	Weight 12lb	Size of Hole Ann. and Kind of Cement 16.5 SKS	Cement Left in casing by	Request Necessity <input checked="" type="checkbox"/> 1 feet	
Kind of Job Longstring > PBTD 1190'					Drillpipe	Tubing (Rotary/Cable) Truck No. *25		

Price Reference No. _____
 Price of Job **665.00**
 Second Stage _____
 Mileage **191.25**
 Other Charges _____
 Total Charges **856.25**

Remarks: **Safety Meeting: Rig up to casing, wash down to 1198'**
Pumped 300 lbs Gel Flush, circulate Gel Flush around to condition Hole.
Rig up cement Head, Drop ball to Trip Tassit: Pumped 18 Bbls Dye water.
Mixed 16.5 SKS Thick Set cement w/ KOL-SEAL 8" 1 1/2" SK
(First 50 lbs = 12 1/2 lbs 1 1/2" GAL - Tail end = 16 SKS = 13 1/2 lbs 1 1/2" GAL)
Shutdown washout pump & lines - Release Plug
Displace Plug with 2 1/2 Bbls Biocide water at 2800
Free pumping at 600 PSI - Bumped Plug to 1100 PSI
check float - float held - close casing in w/ D.P.S.T
Good cement returns to surface of 10 Bbls - 32 SKS cement
Job complete - Tear down

Operator: **Brad Butler**
 Name: **Rick Alan Jason Troy** District: **Eureka** State: **Kansas**
 The above job was done under supervision of the burner, operator, or the agent whose signature appears below:

 Agent of contractor or operator

"Thank you"

Sales Ticket for Materials Only

Quantity	Each	BRAND AND TYPE	PRICE	TOTL.
165	SKS	Thick Set cement	10.75	1793.75
1320	lbs	KOL-SEAL 8" 1 1/2" SK	.30	396.00
300	lbs	Gel - Gel Flush	9.50	28.50
1	GAL	Biocide - Displacement water	15.00	15.00
4	GAL	KOL - Delivered to MOKAT Del	15.00	60.00
4	Hrs	80 Bbl VAC Truck	65.00	260.00
4	Hrs	80 Bbl VAC Truck	65.00	260.00
3	Loads	City water	20.00	60.00
1	5 1/2"	Guide shoe	85.00	85.00
1	5 1/2"	AWF Tassit Flapper Valve	92.00	92.00
5	5 1/2"	Centeliners	28.00	140.00
1	5 1/2"	Top Rubber Plug	40.00	40.00
			165 SKS Handling & Dumping	.50
			9.09 Tax Mileage	85
			Cue Total	4765.76
Delivered by Truck No. #16			Discount	
Delivered from Eureka			Sales Tax	6.32
Signature of operator Brad Butler			Total	300.24
				5066.00

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