

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 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. _____

<u>10-2-03</u>	<u>10-2-03</u>	<u>10-8-03</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 003-24237-00-00
County: Anderson
_____ SW SE Sec. 23 Twp. 19 S. R. 19 East West
660 feet from (S) N (circle one) Line of Section
2100 feet from (E) W (circle one) Line of Section

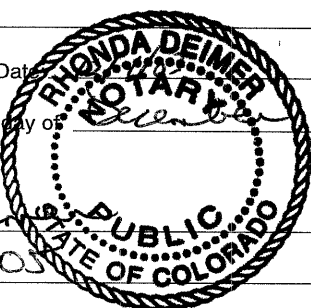
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Peine Trust Well #: 23-34
Field Name: FCBCA
Producing Formation: Cherokee Coals
Elevation: Ground: 1003' Kelly Bushing: _____
Total Depth: 1235' Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented 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) *ALT II WITH 4-25-07*
Chloride content _____ ppm Fluid volume _____ bbls
Dewatering method used _____
Location of fluid disposal if hauled off site: **RECEIVED**
KANSAS CORPORATION COMMISSION
Operator Name: _____ **DEC 09 2003**
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: [Signature]
Title: Production Manager Date: _____
Subscribed and sworn to before me this 4th day of _____, 2003
Notary Public: [Signature]
Date Commission Expires: 2-18-2003



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: Peine Trust Well #: 23-34
 Sec. 23 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 checked="" type="checkbox"/> Yes <input 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 Gamma Ray Cement Bond/VDL CCL	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:20%;">Log</th> <th style="width:50%;">Formation (Top), Depth and Datum</th> <th style="width:30%;">Sample</th> </tr> </thead> <tbody> <tr> <td>Name</td> <td>Top</td> <td>Datum</td> </tr> <tr> <td>Mulberry</td> <td>666</td> <td>+337</td> </tr> <tr> <td>Little Osage Shale</td> <td>756</td> <td>+247</td> </tr> <tr> <td>Fleming</td> <td>895</td> <td>+108</td> </tr> <tr> <td>Scammon</td> <td>944</td> <td>+59</td> </tr> <tr> <td>Weir Pitt</td> <td>961</td> <td>+42</td> </tr> </tbody> </table>	Log	Formation (Top), Depth and Datum	Sample	Name	Top	Datum	Mulberry	666	+337	Little Osage Shale	756	+247	Fleming	895	+108	Scammon	944	+59	Weir Pitt	961	+42
Log	Formation (Top), Depth and Datum	Sample																				
Name	Top	Datum																				
Mulberry	666	+337																				
Little Osage Shale	756	+247																				
Fleming	895	+108																				
Scammon	944	+59																				
Weir Pitt	961	+42																				

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#	1233'	Thick Set	165	8# Coal Seal/sk
							1/8# Flocele

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose: <input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
				RECEIVED KANSAS CORPORATION COMMISSION DEC 09 2003 CONSERVATION DIVISION WICHITA, KS

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	1156.5' - 1159'	Broke down perms with 15% HCl acid.	
4	1142.5' - 1144.5'	Frac w/ 389 bbls water and 12,600#	
4	1136' - 1139'	10/20 sand.	
4	1129.5' - 1132.5'		

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

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

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 LLC		Well No. 23-34	Lease PEINE TRUST	Loc. 1/4 1/4 1/4	Sec.	Twp.	Rge.					
County ANDERSON		State KS		Type/Well	Depth 1235'	Hours	Date Started 9-16-03	Date Complete 9-18-03				
Job No.	Casing Used 20' OF 8 5/8"	Bit Record				Coring Record						
Driller TOOTIE	Cement Used	Bit No.	Type	size	From	To	Bit No.	type	Size	From	To	% Rec.
Driller	Rig No. 1			7 7/8"								
Driller	Hammer No.											

Formation Record

From	To	Formation	From	To	Formation	From	To	Formation	From	To	Formation
0	8	OVERBURDEN	599	605	LIME	907	928	SHALE			
8	17	LIME	605	609	SHALE	928	930	COAL			
17	21	SHALE	609	619	LIME	930	952	SHALE			
21	30	LIME	619	621	BLACK SHALE	952	957	LIME			
30	42	SHALE	621	640	SAND	957	985	SHALE			
42	77	LIME	640	660	SANDY SHALE	985	998	SAND			
77	120	SANDY SHALE	660	668	SHALE / SANDY SHALE	998	1012	SANDY SHALE / SHALE			
120	228	SHALE / SANDY SHALE	668	670	COAL	1012	1014	COAL			
228	255	LIME	670	674	SHALE	1014	1015	SHALE			
255	265	SHALE	674	684	LIME	1015	1025	SAND			
265	268	SANDY SHALE	684	697	SHALE	1025	1027	BLACK SHALE / COAL			
268	270	COAL	697	699	LIME	1027	1042	SANDY SHALE			
270	276	SHALE	699	703	BLACK SHALE / COAL	1042	1045	COAL			
276	283	LIME	703	717	GREY SHALE	1045	1050	SANDY SHALE			
283	323	SANDY SHALE / SHALE	717	722	LIME	1050	1080	SAND WATER			
323	339	LIME	722	744	SHALE	1080	1098	SHALE			
339	346	GREY SHALE	744	749	LIME	1098	1100	COAL			
346	376	LIME	749	752	BLACK SHALE	1100	1131	SHALE			
376	382	GREY SHALE	752	773	SHALE	1131	1133	COAL			
382	385	BLACK SHALE	773	775	BLACK SHALE	1133	1143	SHALE			
385	387	GREY SHALE	775	847	SHALE	1143	1145	COAL			
387	413	LIME	847	848	COAL	1145	1156	SHALE			
413	418	BLACK SHALE	848	860	SHALE	1156	1159	COAL			
418	430	LIME	860	862	COAL	1159	1175	SHALE			
430	435	GREY SHALE	862	870	SHALE	1175	1176	COAL			
435	441	SANDY LIME	870	890	SANDY SHALE / SHALE	1176	1180	SAND			
441	472	SHALE	890	892	BLACK SHALE / COAL	1180	1235	LIME MISSISSIPPI			
472	483	SAND WET	892	894	SHALE						
483	525	SANDY SHALE	894	897	BLACK SHALE			T.D. 1235'			
525	570	SAND / SANDY SHALE	897	905	SHALE						
570	599	SANDY SHALE / SHALE	905	907	BLACK SHALE						

CONSERVATION DIVISION
WICHITA, KS

KANSAS DEPARTMENT OF COMMISSION
DEC 09 2003

- OCT 21 2003

BLUE STAR ACID SERVICE, INC.

PO Box 103
Eureka, Kansas 67045

Cementing Ticket
and Invoice Number

№ 5008

Date 10-3-03	Customer Order No.	Sect.	Twp.	Range	Truck Called Out	On Location 12:00 p.m.	Job Began 12:15 p.m.	Job Completed 2:00 p.m.
Owner Meritage KCM Exploration		Contractor Hurricane Well Serv			Charge To Meritage KCM Exploration			
Mailing Address 115 North OAK		City GARNETT			State Ks. 66032			
Well No. & Form Paine Trust 23-34		Place Anderson			County Kansas			
Depth of Well 1235'	Depth of Job 1231'	Casing (New) Size 5 1/2" (Used) Weight 121lb.	Size of Hole Amt. and Kind of Cement 165 SKS		Cement Left in casing by		Request Necessity 6' feet	
Kind of Job Longstring > P.B.T.D. 1225'					Drillpipe		Rotary Cable	
					Tubing		Truck No. #25	

Price Reference No. _____

Price of Job **665.00**

Second Stage _____

Mileage **85** **191.25**

Other Charges _____

Total Charges **856.25**

Remarks **Safety Meeting: Rig up to 5 1/2" casing, wash casing down to 1232'. Pumped 300lbs Gel Flush, circulate on well to condition. Rig up cement head - Drop ball to Trip Tasset. Pumped 18 Bbls Dye water. Mixed 165 SKS Thickset cement w/ KOL-SEAL 8# PWSK + Flocc 1# PWSK (First 80 SKS at 12.5 lb. P/GAL to end w/ 85 SKS at 13.4 lb. P/GAL) Shutdown washout pump & lines - Release Plug Displace Plug with 28 1/2 Bbls Bircide water at 2 BPM. Final Pumping at 700 P.S.I. - Pumped Plug to 1100 P.S.I. check Float - Float Held - Close casing w/ O.P.S.I. Good cement follows to surface with 10 Bbls slurry = 32 SKS cement. Job complete - Tear down**

Cementer **Brad Butler**

Helper **Troy - Jim - John** District **Eureka** State **Kansas**

The above job was done under supervision of the owner, operator, or his agent whose signature appears below.

[Signature]
Agent of contractor or operator

RECEIVED
KANSAS CORPORATION COMMISSION
DEC 09 2003
CONSERVATION DIVISION
WICHITA, KS