

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

CONFIDENTIAL

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. _____

10-11-03	10-13-03	10-28-03
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 003-24240-00-00
County: Anderson
_____ - _____ - se - sw Sec. 23 Twp. 19 S. R. 19 East West
660 feet from (S) N (circle one) Line of Section
1700 feet from E (W) (circle one) Line of Section

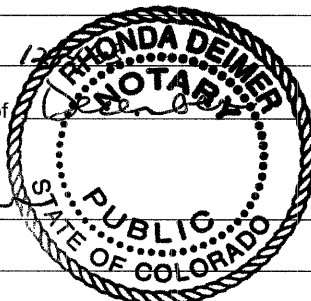
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Peine Trust Well #: 23-24
Field Name: FCBCA
Producing Formation: Cherokee Coals
Elevation: Ground: 991' Kelly Bushing: _____
Total Depth: 1206' Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented 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 *ALT ILWHM 4-25-07*
(Data must be collected from the Reserve Pit)
Chloride content _____ ppm Fluid volume _____ bbls
Dewatering method used _____
Location of fluid disposal if hauled offsite **RECEIVED KANSAS CORPORATION COMMISSION DEC 09 2003**
Operator Name: _____
Lease Name: _____ License No.: _____
Quarter _____ Sec. _____ Twp. _____ S. R. WICHITA, KS 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: Pranda Deimer
Title: Production MGR Date: 12/12/03
Subscribed and sworn to before me this 4th day of December
2003
Notary Public: Pranda Deimer
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

X

Operator Name: Meritage KCM Exploration, LLC Lease Name: Peine Trust Well #: 23-24
 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 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 style="text-align: left;">Log Name</th> <th style="text-align: left;">Formation (Top), Depth and Datum</th> <th style="text-align: left;">Sample Datum</th> </tr> </thead> <tbody> <tr> <td>Mulberry</td> <td>660</td> <td>+331</td> </tr> <tr> <td>Little Osage Shale</td> <td>740</td> <td>+251</td> </tr> <tr> <td>Mulky</td> <td>770</td> <td>+221</td> </tr> <tr> <td>Scammon</td> <td>924</td> <td>+67</td> </tr> <tr> <td>Croweburg</td> <td>857</td> <td>+134</td> </tr> </tbody> </table>	Log Name	Formation (Top), Depth and Datum	Sample Datum	Mulberry	660	+331	Little Osage Shale	740	+251	Mulky	770	+221	Scammon	924	+67	Croweburg	857	+134
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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#	1220	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 Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)		Depth
		Amount	Kind	
4	1122.5' - 1125.5'	Broke down perms with 15% HCl acid.		
4	1129.5' - 1132'	Frac w/ 744 bbls water and 16,000#		
4	1135.5' - 1137.5'	10/20 sand.		
4	1143' - 1145'			
4	1154' - 1156'			

TUBING RECORD		Size	Set At	Packer At	Liner Run	Yes	<input checked="" type="checkbox"/> No
		2-7/8"	1185'	N/A			
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) _____

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. 23-24	Lease PEINE TRUST	Loc. 1/4 1/4 1/4	Sec. 23	Twp. 19	Rge. 19E					
County ANDERSON		State KS	Type/Well	Depth 1235'	Hours	Date Started 10-11-03	Date Completed 10-13-03					
Job No.	Casing Used 22' 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	6	OVERBURDEN	421	422	COAL	958	985	SAND			
6	14	LIME	422	428	GREY SANDY SHALE	985	1010	SANDY SHALE			
14	20	SHALE	428	433	SAND / SANDY SHALE	1010	1024	SHALE			
20	23	LIME	433	455	SHALE	1024	1026	COAL / BLACK SHALE			
23	28	SHALE	455	490	SAND	1026	136	SHALE			
28	57	LIME	490	515	SANDY SHALE / SHALE	1036	1039	COAL / BLACK SHALE			
57	75	SHALE	515	608	SHALE	1039	1060	SHALE			
75	130	SANDY SHALE / SAND	608	613	LIME	1060	1105	SAND			
130	229	SANDY SHALE	613	615	BLACK SHALE	1105	1130	SHALE			
229	254	LIME	615	661	GREY SHALE	1130	1133	COAL			
254	264	GREY SHALE	661	663	COAL	1133	1136	SHALE			
264	265	COAL	663	669	SHALE	1136	1138	COAL			
265	269	SANDY SHALE	669	680	LIME	1138	1152	SHALE			
269	270	COAL	680	693	SHALE	1152	1153	COAL			
270	275	SAND / SANDY SHALE	693	696	LIME	1153	1155	SHALE			
275	280	LIMEY SHALE	696	700	BLACK SHALE	1155	1156	COAL			
280	285	LIME	700	711	GREY SHALE	1156	1178	SHALE			
285	288	BLACK SHALE	711	740	LIME OSWEGO	1178	1193	SAND			
288	304	GREY SHALE	740	748	BLACK SHALE	1193	1235	LIME MISSISSIPPI			
304	305	COAL	748	755	LIME						
305	318	GREY SHALE	755	760	BLACK SHALE			T.D. 1235'			
318	333	LIME	760	770	GREY SHALE						
333	342	SHALE	770	772	BLACK SHALE						
342	370	LIME	772	838	GREY SHALE						
370	376	SHALE	838	841	COAL						
376	379	COAL	841	878	SHALE						
379	380	SHALE	878	881	COAL/BLACK SHALE						
380	404	LIME	881	896	SHALE						
404	406	SHALE	896	898	COAL / BLACK SHALE						
406	409	COAL	898	956	SHALE						
409	421	LIME	956	958	COAL / BLACK SHALE						

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KANSAS CORPORATION COMMISSION

OCT 21 2003

BLUE STAR ACID SERVICE, INC.

PO Box 103
Eureka, Kansas 67045

Cementing Ticket
and Invoice Number

Nº 5023

Date 10-14-03	Customer Order No.	Sec.	Twp.	Range	Truck Called Out	On Location 11:00 am	Job Began 1:00 pm	Job Completed 2:45 pm
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 Pine Trust 23-34	Depth of Well 1230'	Depth of Job 1220'	Place Anderson	County Anderson	State Kansas		Casing (New) Size 5 1/2 Weight 17 lb.	
Kind of Job Longstring > P.B.T.D.		Casing (Used)		Size of Hole 7 7/8	Amt. and Kind of Cement 165 SKS.	Cement Left in casing by	Request Necessity 6 feet	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 casing down to 1221'**
Pumped 300 lbs. Gel Flush circulate around to condition Hole.
Rig up cement Head, Drop bell to 11' in Jarsit. Pumped 18 Bbls. Dye water.
Mixed 165 SKS. Thickset cement w/ KOL-SEAL 8" P/L/SK
(First 30 SKS. at 12.5 lbs. P/L/GAL - 135 SKS. at 13.4 lbs. P/L/GAL)
Shut down, washout pump shims - Release Plug
Displace Plug with 28 Bbls. Biocide water at 2 BPM
Final pumping at 850 P.S.I. - Bumped Plug to 1350 P.S.I.
Check Float - Float Held - close casing in w/ 0 P.S.I.
Good cement returns to surface w/ 8 Bbl slurry = 25 SKS. cement
Job complete - Tear down

Cementer **Brad Butler**
 Helper **Rick - Jason - Jim**

District **Eureka** State **Kansas**
 The above job was done under supervision of the owner, operator, or his agent whose signature appears below.
 x **Brad Butler**
 Agent of contractor or operator

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