

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE**

Form ACO-1
September 1999
Form Must Be Typed

ORIGINAL

Operator: License # 33677
 Name: Canary Operating Corporation
 Address: 7230 W. 162nd Street, Suite A
 City/State/Zip: Stilwell, KS 66085
 Purchaser: Canary Pipeline, Inc
 Operator Contact Person: Steve Allee
 Phone: (913) 239-8960
 Contractor: Name: Canary Drilling, Inc.
 License: 33799
 Wellsite Geologist: Rex R. Ashlock
 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>4/25/07</u>	<u>6/20/07</u>	<u>6/26/07</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 121-28400-00-00
 County: Miami
SE SW NW Sec. 18 Twp. 16 S. R. 25 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: Deer Well #: 26-18-16-25
 Field Name: Paola-Rantoul
 Producing Formation: Lexington, Summit, & Mulky
 Elevation: Ground: 1058 Kelly Bushing: _____
 Total Depth: 664 Plug Back Total Depth: _____
 Amount of Surface Pipe Set and Cemented at 20 Feet
 Multiple Stage Cementing Collar Used? Yes No
 If yes, show depth set _____ Feet
 If Alternate II completion, cement circulated from 511
 feet depth to surface w/ 130 sx cmf.

Drilling Fluid Management Plan
 (Data must be collected from the Reserve Pit)
 Chloride content NA ppm Fluid volume 60 bbls
 Dewatering method used Evaporation
 Location of fluid disposal if hauled offsite: ALT II WHM 12-10-07
 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: [Signature]
 Title: SV Date: 6/28/07
 Subscribed and sworn to before me this _____ day of _____
20 07
 Notary Public: [Signature]
 Date Commission Expires: 1/10/2009

KCC Office Use ONLY

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

REX R. ASHLOCK
 Notary Public - State of Kansas
 My Appt. Exp. 1/10/09

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JUL 05 2007

CONSERVATION DIVISION
 WICHITA, KS

Operator Name: **Canary Operating Corporation** Lease Name: **Deer** Well #: **26-18-16-25**
 Sec. **18** Twp. **16** S. R. **25** East West County: **Miami**

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: **None**

Log Formation (Top), Depth and Datum Sample
 Name Top Datum

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	13 1/2"	10 3/4"	32	20	Common	10	None
Production	9 7/8"	7"	17	511	Portland	130	2% Gel
							2% CaCl ₂

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
None	Open hole completed from 511 to 664'	None	
		164.35' of 4 1/2" steel perf'd liner	
		Top of liner at 499.65'	

TUBING RECORD	Size	Set At	Packer At	Liner Run
1" tubing to be set at 620' +/-			None	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of First Resumerd Production, SWD or Enhr.	Producing Method			
W.O. gas, electric, & wtr lines	<input type="checkbox"/> Flowing <input checked="" 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
	None	NA	NA	None

Disposition of Gas **METHOD OF COMPLETION** Production Interval
 Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled
 (If vented, Submit ACO-18.) Other (Specify) _____

To be sold

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 WICHITA, KS

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DRILLER'S LOG

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DEC 07 2007

DEER #26-18-16-25
2310 FNL, 990 FWL, NW/4
SECTION 18-T16S-R25E
MIAMI CO., KS
API #15-121-28400
CONTR: CANARY DRILLING, INC.

SPUD: 4/25/07
SURFACE: 20' OF 10 3/4" STKS
PROD CSG: 7" AT 511.34'
TOTAL DEPTH: 659' (6/20/07)

CONSERVATION DIVISION
WICHITA

SOIL	5	LS W/ SH STKS	438
LS	51	LS	449
SH	94	SH	553
LS	106	BLK SH	557
SH W/ LS STKS	135	LS	564
LS	139	DK SH W/ LS STKS	574
BLK SH	142	BLK SH & COAL	580
SH W/ SND STKS	177	V SNDY SH	600 (ODOR)
LS	192	SNDY SH	649
SH	205	SH-COAL-LS	659
LS	234	TOTAL DEPTH	659
BLK SH	238 (LITTLE WTR)		
LS	258		
BLK SH	264 (SLIGHT INC WTR)		
LS	277 (B. KC)		
SH SILTY	335		
SH SNDY	355		
SH	378		
SNDY SH	390		
SH	417		
BLK SH	420		
V SND SH	444		
SH	466		
LS	474		
BLK SH W/ LS	482		
SH	486		
LS	496 (ODOR)		
SHLY SAND	510 (ODOR)		
SH DARK	515		
LS DK BRN	519 (HARD)		
BLK SH & COAL	524		
SH	525		



**CONSOLIDATED
OIL WELL
SERVICES, LLC**

REMIT TO
Consolidated Oil Well Services, LLC
DEPT. 970
P.O. BOX 4346
HOUSTON, TEXAS 77210-4346

MAIN OFFICE
P.O. Box 884
Chanute, KS 66720
620/431-9210 • 1-800/467-8676
FAX 620/431-0012

INVOICE

Invoice # 214165

Invoice Date: 06/21/2007 Terms:

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CANARY OPERATING CORP.
7230 WEST 162ND, SUITE A
STILWELL KS 66085
(913)239-8960

DEER 26
18-16-25
15482
06/19/07

Part Number	Description	Qty	Unit Price	Total
1104S	CLASS "A" CEMENT (SALE)	130.00	12.2000	1586.00
1118B	PREMIUM GEL / BENTONITE	454.00	.1500	68.10
1102	CALCIUM CHLORIDE (50#)	254.00	.6700	170.18

Description	Hours	Unit Price	Total
370 80 BBL VACUUM TRUCK (CEMENT)	4.00	90.00	360.00
495 CEMENT PUMP	1.00	840.00	840.00
495 EQUIPMENT MILEAGE (ONE WAY)	40.00	3.30	132.00
503 MIN. BULK DELIVERY	1.00	285.00	285.00

Parts:	1824.28	Freight:	.00	Tax:	119.49	AR	3560.77
Labor:	.00	Misc:	.00	Total:	3560.77		
Sublt:	.00	Supplies:	.00	Change:	.00		

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Signed _____

Date **JUL 05 2007**

BARTLESVILLE, Ok
278 CR 2706 74003
918/338-0808

EUREKA, Ks
820 E. 7th 67045
620/583-7664

OTTAWA, Ks
2631 So. Eisenhower Ave. 66067
785/242-4044

GILLETTE, Wy
300 Enterprise Avenue 82716
307/686-4914

THAYER, Ks
8655 Dorn Road 66776
620/839-5269

CONSERVATION DIVISION
WICHITA, Ks
837 Hwy US 16 E 82401
307/347-4577

CONSOLIDATED OIL WELL SERVICES, LLC
P.O. BOX 884, CHANUTE, KS 66720
620-431-9210 OR 800-467-8676

TICKET NUMBER 15482
LOCATION Ottawa KS
FOREMAN Fred Mader

TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
6/19/07	2642	Deer #26	18	16	25	MI
CUSTOMER Canary Operating Corp			TRUCK #			
MAILING ADDRESS 7230 W 162nd St A			DRIVER			
CITY Stilwell			TRUCK #			
STATE KS			DRIVER			
ZIP CODE 66085			TRUCK #			
			DRIVER			

JOB TYPE long string HOLE SIZE 9 7/8 HOLE DEPTH 512' CASING SIZE & WEIGHT 7"
 CASING DEPTH 518 DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT _____ SLURRY VOL _____ WATER gal/sk _____ CEMENT LEFT in CASING 20'
 DISPLACEMENT 21. BBL DISPLACEMENT PSI _____ MIX PSI _____ RATE 6 BPM

REMARKS: Establish Circulation. Mix + Pump 200# Premium Gel
Flush Mix + Pump 15 BBLs full tank dye ahead of
135 SKS Class A Cement w/ 2% Gel 2% Calcium Chloride
Displace Casing clean of cement w/ 20.5 BBLs
Fresh Water Shut In Casing

Fred Mader

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE Cement Pump	495	840.00
5406	40 mi	MILEAGE Pump Truck	495	132.00
5407	Minimum	Ton Mileage.	503	255.00
5502C	4 hrs	80 BBL Vac Truck	370	360.00
11045	130 SKS	Portland Type A Cement		1586.00
1118B	454#	Premium Gel		68.10
1102	254#	Calcium Chloride		170.18
Sub Total				3441.00
Tax @ 6.55%				119.49
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JUL 05 2007				
CONSERVATION DIVISION				
SALES TAX				
ESTIMATED				
TOTAL				3560.71

AUTHORIZATION W0# 214165 TITLE _____ DATE _____