

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL
Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 33677
 Name: Canary Operating Corporation
 Address: 7230 W. 162nd Street, Suite A
 City/State/Zip: Stilwell, KS 66085
 Purchaser: _____
 Operator Contact Person: Steve Allee
 Phone: (913) 239-8960
 Contractor: Name: RLC 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>10/18/06</u>	<u>10/23/06</u>	<u>10/31/06</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 121-28235-00-00
 County: Miami
NE SE NW Sec. 18 Twp. 16 S. R. 25 East West
1650 feet from S / N (circle one) Line of Section
2310 feet from E / W (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW SW
 Lease Name: Deer Well #: 20-18-16-25
 Field Name: Louisburg
 Producing Formation: Lexington, Summit, & Mulky
 Elevation: Ground: 1058 Kelly Bushing: _____
 Total Depth: 644' 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 513'
 feet depth to surface w/ 110 sx cmf.
Drilling Fluid Management Plan
 (Data must be collected from the Reserve Pit) *As II w/ Hm R-70-07*
 Chloride content NA ppm Fluid volume 200 bbls
 Dewatering method used Evaporation
 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: [Signature]
 Title: COO For Canary Operating Corporation
 Date: 11/21/06
 Subscribed and sworn to before me this 21st day of November
20 2006
 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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Operator Name: **Canary Operating Corporation** Lease Name: **Deer** Well #: **20-18-16-25**
 Sec. **18** Twp. **16** S. R. **24** 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)

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

Driller's Log Attached

List All E. Logs Run:

Cased hole gamma-ray neutron, log sent to KCC in Chanute, KS

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"	NA	20'	Portland	9	None
Production	9 7/8"	7"	16	513'	Portland	110	2% gel 2% CaCl ₂

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
Perforate				
Protect Casing				
Plug Back TD				
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	None, open hole completed from 513-644'	None	
			142.61' of 4 1/2" perf'd liner set on btm

TUBING RECORD		Size	Set At	Packer At	Liner Run
		1"	to be set at 615' +/-	None	<input checked="" type="checkbox"/> Yes
Date of First, Resumed Production, SWD or Enhr. W.O. gas, electric, & wtr lines		Producing Method <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 Mcl	Water Bbls.	Gas-Oil Ratio	Gravity
	None	NA	NA	None	

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

To be sold

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DRILLERS LOG

COMPANY: CANARY OPERATING CORP.

WELL: DEER #20-18-16-25

2310 FWL, 1650 FNL, NW/4

SECTION 18-T16S-R25E

MIAMI CO. KS

API # 15-121-28235

CONTRACTOR: RLC DRLG, INC

SPUD: 10/18/06

20' OF 10 3/4", CMT'D W/ 9SX

513' OF 7"

3	SOIL	493	LS W/ BLK SH BRKS (ODOR)
8	CLAY	510	SH
52	LS W/ SH BRKS	514	LS (HARD)
96	SH	517	BLK SH & COAL
107	LS	538	SNDY SH
110	DK SH	549	LS
118	SNDY SH	554	DK SH
137	SH	558	BLK SH
140	LS	575	LS & SH
176	SH & LS STKS	579	BLK SH
193	LS	644	SNDY SH
206	SH	644	TOTAL DEPTH (10/23/06)
233	LS		
238	BLK SH		
260	LS		
264	BLK SH		
276	LS		
278	DK SH		
369	SH & SNDY SH		
374	DK SH		
384	HARD SNDY SH		
411	SH		
414	BLK SH		
441	BKN SAND (ODOR)		
465	SH		

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

TICKET NUMBER 08994
LOCATION Ottawa
FOREMAN Alan Mader

TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY			
10-24-06	2642	Deer #20	18	16	25	Mi			
CUSTOMER		TRUCK #		DRIVER		TRUCK #		DRIVER	
Canary Operating		389	Alamad						
MAILING ADDRESS		164	Ric Arb						
7230 W 162nd Ste A		369	Red Bus						
CITY	STATE	ZIP CODE	310	Gar And					
St. Iwell	KS	66085	515	Casing Size & Weight		7"	17#		

JOB TYPE long string HOLE SIZE 9 7/8 HOLE DEPTH _____ CASING SIZE & WEIGHT 7" 17#
 CASING DEPTH 517 DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT _____ SLURRY VOL _____ WATER gal/sk _____ CEMENT LEFT in CASING _____
 DISPLACEMENT 21 bbl DISPLACEMENT PSI _____ MIX PSI _____ RATE _____

REMARKS: Established rate. Mixed & pumped 100# gel followed by 10 bbl water. Mixed & pumped 15 bbl dye marker followed by 115 sk Portland "A" cement 2% gel 2% calcium. Circulated dye to surface. Displaced casing with 21 bbl water. Circulated 5 bbl cement. Closed valve.

waited on casing to be ran. Alan Mader

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	164	800.00
5406	410	MILEAGE	164	126.00
5402	517'	Casing footage	164	1116.00
5407	min	ton miles	310	273.00
5502L	5 1/2 hr	80 val	369	495.00
1102	230 #	calcium		147.20
1118B	330 #	gel		46.20
1104.S	110 sk	Portland A		1237.50
		Sub		3126.90
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		6550	SALES TAX	93.73
			ESTIMATED TOTAL	3220.63

AUTHORIZATION _____

TITLE W# 210172 DATE Alan Mader