

ORIGINAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

UPDATED 7/17/06

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: To be determined
Operator Contact Person: Steve Allee
Phone: (913) 239-8960
Contractor: Name: Well Refined Drilling Co.
License: 33072
Wellsite Geologist: Rex R. Ashlock

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. _____

1/11/06 6/28/06 6/30/06
Spud Date or Recompletion Date Date Reached TD Completion Date or Recompletion Date

API No. 15 - 121-28134-00-00
County: Miami
S/2 S/2 NE Sec. 13 Twp. 16 S. R. 24 East West
2000 feet from S / (circle one) Line of Section
1320 feet from (circle one) E W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Ray Well #: 31-13-16-24

Field Name: Paola-Rantoul
Producing Formation: Lexington & Mulky
Elevation: Ground: 970 Kelly Bushing: _____
Total Depth: 558' 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 431.85'
feet depth to surface w/ 148 sx cmt.

Drilling Fluid Management Plan ALT II w/ H₂O
(Data must be collected from the Reserve Pit) 12-10-07
Chloride content NA ppm Fluid volume 100 +/- 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: _____
By: SR VP Operations Date: 7-18-06
Subscribed and sworn to before me this 18th day of July
20 06
Notary Public: R. R. Ashlock
Date Commission Expires: 1/10/09

KCC Office Use ONLY
 Letter of Confidentiality Received
if Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UTC 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: **Ray** Well #: **31-13-16-24**
 Sec. **13** 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, lime 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 <i>(Attach Additional Sheets)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Log Formation (Top), Depth and Datum	<input checked="" type="checkbox"/> Sample
Samples Sent to Geological Survey	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Name	Top Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Base KS City	208 (762)
Electric Log Run <i>(Submit Copy)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	South Mound	367 (603)
List All E. Logs Run:		Lexington	437 (533)
		Summit	481 (489)
		Mulky	502 (468)

Driller's Log attached

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	4	None
Production	9 7/8"	7"	16.00	431.85'	Portland	148	2% Gel 3% 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 from 431.85' to 558'	None	

TUBING RECORD	Size Set At 1" to be set at 535' +/-	Packer At None	Liner Run <input checked="" type="checkbox"/> Yes 4 1/2" perf'd liner from TD to 430'
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		
Estimated Production Per 24 Hours	Oil Bbls. None	Gas Mcf NA	Water Bbls. NA Gas-Oil Ratio None Gravity

Disposition of Gas METHOD OF COMPLETION Production Interval

Vented Sold Used on Lease Open Hole Perf. Dualty Comp. Commingled
(If vented, Submit ACO-18.) Other (Specify) _____

X To be sold

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CANARY OPERATING CORPORATION
DRILLER'S LOG

Dick Ray #31-13-16-24

Section 13-T16S-R24E

Miami Co., KS

API #152-121-28134

Drilling Contractor: Well Refined Drilling & RLC Drilling Inc.

Spud: 1/11/16

Surface Csg: 10 3/4" set at 20', cmt'd w/ 6 sx

2	OVERBURDEN	434	SH
8	CLAY	437	LS
12	CLAY & GRAVEL	438	BLK SH (33.9 MCF)
36	SH	439	SH
38	LS	440	COAL
46	SH	464	SH
50	LS	473	LS
61	SH	481	SH
64	LS	482	BLK SH (0 MCF)
66	SH	486	SH
68	BLK SH (0 MCF)	495	LS
107	SH	502	SH
117	LS	506	BLK SH (14.9 MCF)
131	SH	508	SH
153	LS	527	LAM SAND (odor)
163	SH	531	SH
166	BLK SH (0 MCF)	558	LAM SAND
185	LS	558	TOTAL DEPTH (6/28/06)
190	SH		
193	BLK SH (34.7 MCF)		
196	LS		
202	SH		
208	LS		
318	SH		
330	SAND		
367	SH		
369	BLK SH (2.62 MCF)		
386	SH		
387	COAL (0 MCF)		
391	SH		
395	LS		
399	SH		
401	LS		
407	SH		
417	LS		

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CONSOLIDATED
OIL WELL
SERVICES, INC.
 AN INFINITY COMPANY

REMIT TO
 Consolidated Oil Well Services, Inc.
 Dept. 1228
 Denver, CO 80256

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

COPY R

INVOICE

Invoice # 202774

Invoice Date: 02/14/2006 Terms:

Page 1

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

RAY #31
 13-16-24
 5062
 02/01/06

art Number	Description	Qty	Unit Price	Total
104	CLASS "A" CEMENT	148.00	10.2500	1517.00
118B	PREMIUM GEL / BENTONITE	11.00	7.0000	77.00
102	CALCIUM CHLORIDE (50#)	8.80	32.0000	281.60
	Description	Hours	Unit Price	Total
35	TON MILEAGE DELIVERY	1.00	307.94	307.94
58	CEMENT PUMP	1.00	800.00	800.00
58	EQUIPMENT MILEAGE (ONE WAY)	40.00	3.15	126.00
59	80 BBL VACUUM TRUCK (CEMENT)	4.00	90.00	360.00

*Was 1st attached to
 ACO-1 Form
 Mailed 7/25/06*

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 KANSAS CORPORATION COMMISSION
 DEC 07 2007
 CONSERVATION DIVISION
 WICHITA, KS

nts:	1875.60 Freight:	.00 Tax:	122.84 AR	3592.38
or:	.00 Misc:	.00 Total:	3592.38	
lt:	.00 Supplies:	.00 Change:	.00	

ned _____ Date _____

BARTLESVILLE, Ok
 P.O. Box 1453 74005
 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

UNCONSOLIDATED OIL WELL SERVICES, INC.
 11 W. 14TH STREET; CHANUTE, KS 66720
 20-431-9210 OR 800-467-8676

Copy

TICKET NUMBER 5062
 LOCATION Ottawa KS
 FOREMAN Fred Mader

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
2-1-06	2642	Ray # 31	13	16	24	M1
CUSTOMER Canary Operating Inc			TRUCK #	DRIVER	TRUCK #	DRIVER
MAILING ADDRESS 7230 W 162 nd Ste A			372	Fred		
CITY Stilwell	STATE KS	ZIP CODE 66085	368	Matt		
			369	Casey		
			195	Mark		
JOB TYPE Longstring	HOLE SIZE 9 7/8"	HOLE DEPTH 435'	CASING SIZE & WEIGHT 7" 16#			
CASING DEPTH 432	DRILL PIPE	TUBING	OTHER			
CURRY WEIGHT	SLURRY VOL	WATER gal/sk	CEMENT LEFT in CASING 20'			
DISPLACEMENT 18 BBL	DISPLACEMENT PSI	MIX PSI	RATE 4 BPM			

REMARKS: Wash down last Joint 7" Casing Mix & Pump 5 sks
 Premium Gel Flush. Mix & Pump 13 BBL Tattala dye Ahead
 of 156 sks Portland A 2 1/2 Gal 370 Calcium Chloride Cement.
 Observed some loss of circulation. ~~Cement~~ Displace
 Cement out of casing w/ 17.5 BBL Fresh water. Shut
 in casing. Cement to surface.

Fred Mader

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE Cement Pump	368	800.00
5406	40 mi	MILEAGE Pump Truck	368	126.00
5407A	7.3327	Ton Mileage	195	307.94
5502C	4 hrs	80 BBL Vac Truck	369	360.00
1104	148 SKS	Portland A Cement		1517.00
1118B	11 SKS	Premium Gel		77.00
1102	440 #	Calcium Chloride		1540.00
RECEIVED KANSAS CORPORATION COMMISSION				281.60
DEC 07 2007			Sub Total	3469.54
CONSERVATION DIVISION WICHITA, KS			Tax @ 6.3%	122.84
SALES TAX ESTIMATED TOTAL				3592.38

AUTHORIZATION _____ TITLE W0# 20277 DATE _____