

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form ACO-1  
September 1999  
Form Must Be Typed

WELL COMPLETION FORM ORIGINAL  
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     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. \_\_\_\_\_

| Spud Date or Recompletion Date | Date Reached TD | Completion Date or Recompletion Date |
|--------------------------------|-----------------|--------------------------------------|
| 12/15/06                       | 1/10/07         | 1/11/07                              |

API No. 15 121-28310 00-00  
County: Miami  
SW SE NW Sec. 18 Twp. 16 S. R. 25  East  West  
2310 feet from S (N) (circle one) Line of Section  
1650 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 #: 28-18-16-25  
Field Name: Paola-Rantoul ?

Producing Formation: Lexington, Summit, & Mulky  
Elevation: Ground: 1064 Kelly Bushing: \_\_\_\_\_  
Total Depth: 673 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 519.28  
feet depth to surface w/ 158 sx cmt.

Drilling Fluid Management Plan AK II NH 6-18-08  
(Data must be collected from the Reserve Pit)

Chloride content NA ppm Fluid volume 150 +/- 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: 1/12/07

Subscribed and sworn to before me this 12th day of January  
20 07

Notary Public: [Signature]  
Date Commission Expires: 1/10/2009

**KCC Office Use ONLY**

N 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

RECEIVED  
KANSAS CORPORATION COMMISSION  
JAN 19 2007  
CONSERVATION DIVISION  
WICHITA, KS

Operator Name: **Canary Operating Corporation** Lease Name: **Deer** Well #: **28-18-16-25**  
 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)

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

List All E. Logs Run:

| 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                | 21.5'         | Common         | 10           | None                           |
| Production                                                                          | 9 7/8"            | 7.00                      | 16.00             | 519.28'       | Portland       | 158          | 2% gel<br>2% CaCl <sub>2</sub> |

| 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<br>Specify Footage of Each Interval Perforated | Acid, Fracture, Shot, Cement Squeeze Record<br>(Amount and Kind of Material Used) | Depth |
|----------------|-------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-------|
| None           | Open hole completed from 519.28 to 673'                                                   | None                                                                              |       |
|                |                                                                                           |                                                                                   |       |
|                |                                                                                           | 171' of 4 1/2' steel perf'd liner                                                 |       |
|                |                                                                                           | Top at 502', btm at TD                                                            |       |

| TUBING RECORD                                    |           | Size                                                                                                                                                    | Set At      | Packer At     | Liner Run                                                           |
|--------------------------------------------------|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|---------------|---------------------------------------------------------------------|
|                                                  |           | 1" to be set at 645' +/-                                                                                                                                |             | None          | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Date of First, Resumerd Production, BWD 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 **519.28-673'**  
 (If vented, Submit ACO-18.)  Other (Specify) \_\_\_\_\_

To be sold

RECEIVED  
 KANSAS CORPORATION COMMISSION  
 JAN 19 2007  
 CONSERVATION DIVISION  
 WICHITA, KS

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

TICKET NUMBER 08962  
LOCATION Ottawa KS  
FOREMAN Fred Mader

TREATMENT REPORT & FIELD TICKET  
CEMENT

| DATE                                        | CUSTOMER # | WELL NAME & NUMBER | SECTION                  | TOWNSHIP | RANGE   | COUNTY |
|---------------------------------------------|------------|--------------------|--------------------------|----------|---------|--------|
| 1-9-07                                      | 2642       | Deer # 28          | 18                       | 16       | 25      | M1     |
| CUSTOMER<br><u>Canary Operating Corp</u>    |            |                    | TRUCK #                  |          |         |        |
| MAILING ADDRESS<br><u>7230 W 162nd St A</u> |            |                    | DRIVER                   |          |         |        |
| CITY<br><u>Stillwell</u>                    |            | STATE<br><u>KS</u> | ZIP CODE<br><u>66085</u> |          | TRUCK # |        |
|                                             |            |                    | DRIVER                   |          |         |        |
|                                             |            |                    | <u>506 Fred</u>          |          |         |        |
|                                             |            |                    | <u>164 Ric Arb</u>       |          |         |        |
|                                             |            |                    | <u>369 Garthnd</u>       |          |         |        |
|                                             |            |                    | <u>510 Ken Harv</u>      |          |         |        |

JOB TYPE long string HOLE SIZE 9 7/8 HOLE DEPTH 519' CASING SIZE & WEIGHT 7" 16.5\*  
CASING DEPTH 518' DRILL PIPE \_\_\_\_\_ TUBING Open Ended 7" OTHER \_\_\_\_\_  
SLURRY WEIGHT \_\_\_\_\_ SLURRY VOL \_\_\_\_\_ WATER gal/sk \_\_\_\_\_ CEMENT LEFT in CASING 20' 30'  
DISPLACEMENT 21 BBL DISPLACEMENT PSI \_\_\_\_\_ MIX PSI \_\_\_\_\_ RATE 4 BPM

REMARKS: Wash down 3 Jts. 7" casing. Mix + Pump 200# Premium Gel Flush. Mix + Pump 164 sks Class A Cement 2% Gel 2% Calcium Chloride 1/4" Flo Seal. Displace casing clean of cement w/ 20 BBL Fresh water. Shut in casing.

*Fred Mader*

Note: Wash on casing for 3 hours.

| ACCOUNT CODE | QUANTITY or UNITS | DESCRIPTION of SERVICES or PRODUCT | UNIT PRICE | TOTAL             |
|--------------|-------------------|------------------------------------|------------|-------------------|
| 5401         | 1                 | PUMP CHARGE Cement Pump 164        |            | 840.00            |
| 5406         | 40 mi             | MILEAGE Pump Truck 164             |            | 132.00            |
| 5407 A       | 7.708 Ton         | Ton Mileage 510                    |            | 339.96            |
| 5502 C       | 6 hrs             | 80 BBL Vac Truck 369               |            | 540.00            |
| 5609         | 2 hrs             | Pump Truck (wash) 164              |            | 320.00            |
| 11045        | 158 sks           | Class A Cement                     |            | 1927.60           |
| 1118 B       | 508 #             | Premium Gel                        |            | 76.20             |
| 1102         | 308 #             | Calcium Chloride                   |            | 206.36            |
| 1107         | 41 #              | Flo Seal                           |            | 77.20             |
|              |                   | Sub Total                          |            | 4459.21           |
|              |                   | Tax @ 6.3%                         |            | <del>280.93</del> |
|              |                   | RECEIVED                           |            | 149.87            |
|              |                   | KANSAS CORPORATION COMMISSION      |            |                   |
|              |                   | JAN 9 2007                         |            |                   |
|              |                   | CONSERVATION DIVISION              |            |                   |
|              |                   | WICHITA KS SALES TAX               |            |                   |
|              |                   | ESTIMATE TOTAL                     |            | 4609.08           |

AUTHORIZATION \_\_\_\_\_

TITLE WO# 211442

DATE \_\_\_\_\_



**CONSOLIDATED**  
OIL WELL  
SERVICES, LLC

**REMIT TO**  
Consolidated Oil Well Services,  
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

INVOICE

Invoice # 211442

Invoice Date: 01/12/2007 Terms:

Page 1

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

DEER 28  
18-16-25  
8962  
01/09/07

| Part Number | Description             | Qty    | Unit Price | Total   |
|-------------|-------------------------|--------|------------|---------|
| 1104S       | CLASS "A" CEMENT (SALE) | 158.00 | 12.2000    | 1927.60 |
| 1118B       | PREMIUM GEL / BENTONITE | 508.00 | .1500      | 76.20   |
| 1102        | CALCIUM CHLORIDE (50#)  | 308.00 | .6700      | 206.36  |
| 1107        | FLO-SEAL (25#)          | 41.00  | 1.9000     | 77.90   |

| Description                            | Hours | Unit Price | Total  |
|----------------------------------------|-------|------------|--------|
| 164 CEMENT PUMP                        | 1.00  | 840.00     | 840.00 |
| 164 EQUIPMENT MILEAGE (ONE WAY)        | 40.00 | 3.30       | 132.00 |
| 164 MISC. PUMP (CEMENT TRUCK) MIT WASH | 2.00  | 160.00     | 320.00 |
| 369 80 BBL VACUUM TRUCK (CEMENT)       | 6.00  | 90.00      | 540.00 |
| 510 TON MILEAGE DELIVERY               | 1.00  | 339.15     | 339.15 |

|        |         |           |     |         |         |    |         |
|--------|---------|-----------|-----|---------|---------|----|---------|
| Parts: | 2288.06 | Freight:  | .00 | Tax:    | 149.87  | AR | 4609.08 |
| Labor: | .00     | Misc:     | .00 | Total:  | 4609.08 |    |         |
| Sublt: | .00     | Supplies: | .00 | Change: | .00     |    |         |

RECEIVED  
KANSAS CORPORATION COMMISSION

JAN 19 2007

Signed \_\_\_\_\_

Date \_\_\_\_\_  
CONSERVATION DIVISION  
WICHITA, KS

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

WORLAND, WY  
837 Hwy US 16 E 82401  
307/347-4577