

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 # 4894
 Name: Horseshoe Operating, Inc.
 Address: 110 W. Louisiana Suite 200
 City/State/Zip: Midland, Texas 79701
 Purchaser: Duke Energy Field Services
 Operator Contact Person: S. L. Burns
 Phone: (432) 683-1448
 Contractor: Name: Cheyenne Drilling
 License: _____
 Wellsite Geologist: _____
 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>08/15/2004</u>	<u>8/17/2004</u>	<u>9/14/2004</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

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API No. 15 - 071-20790-00-00
 County: Greeley
C NE/4 Sec. 27 Twp. 17 S. R. 40 East West
1320 feet from S / (circle one) Line of Section
1320 feet from (circle one) W (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW SW
 Lease Name: Lee Well #: 3-27
 Field Name: Bradshaw
 Producing Formation: Winfield
 Elevation: Ground: 3611 Kelly Bushing: 3617
 Total Depth: 3030 Plug Back Total Depth: 3026
 Amount of Surface Pipe Set and Cemented at 7 jts @ 276 Feet
 Multiple Stage Cementing Collar Used? Yes No
 If yes, show depth set _____ Feet
 If Alternate II completion, cement circulated from 3030
 feet depth to surface w/ 800 sx cmt.

Drilling Fluid Management Plan
 (Data must be collected from the Reserve Pit) *alt II KGR 2/15/08*
 Chloride content _____ ppm Fluid volume _____ bbls
 Dewatering method used _____
 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: Vice President Date: 12/01/04
 Subscribed and sworn to before me this 1 day of December,
2004.
 Notary Public: [Signature]
 Date Commission Expires: 8-9-2005

Debbie Franklin
 Notary Public - State of Texas
 My Commission Expires
AUGUST 09, 2005

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

✓

Operator Name: Horseshoe Operating, Inc. Lease Name: Lee Well #: 3-27
 Sec. 27 Twp. 17 S. R. 40 East West County: Greeley

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 type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: Compensated Density Neutron Cement Bond Log	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Base Stone Corral</td> <td>2612</td> <td>+1005</td> </tr> <tr> <td>Top Winfield</td> <td>2912</td> <td>+705</td> </tr> <tr> <td>Top Ft. Riley</td> <td>2972</td> <td>+645</td> </tr> </table>	Name	Top	Datum	Base Stone Corral	2612	+1005	Top Winfield	2912	+705	Top Ft. Riley	2972	+645
Name	Top	Datum											
Base Stone Corral	2612	+1005											
Top Winfield	2912	+705											
Top Ft. Riley	2972	+645											

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CASING RECORD <input type="checkbox"/> New <input checked="" 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	24#	276	C	175	2%cc/Flocele
Production	7-7/8	4-1/2	10.5#	3030	C	550	Lite
Production	7-7/8	4-1/2	10.5#	3007	C	250	Tail

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
1	2926-28	500 gals 10% HCL + additives	
	2930-32	500 gals 7-1/2% HCL + additives, 4500 gal	
	2936-38	pad.	
	2952-67		
		Pump 8000# 20/40 + 4000# 12/20	

TUBING RECORD		Size <u>2-3/8</u>	Set At <u>2983</u>	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. <u>9/14/04</u>		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 Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
		<u>95</u>	<u>4 BWPD</u>		

Disposition of Gas Vented Sold Used on Lease *(If vented, Submit ACO-18.)*

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled Other (Specify) _____

Production Interval _____

ALLIED CEMENTING CO., INC.

WF
13902

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:
Oakley

DATE <u>8/19/04</u>	SEC. <u>27</u>	TWP. <u>17s</u>	RANGE <u>40W</u>	CALLED OUT	ON LOCATION <u>1:30 AM</u>	JOB START <u>7:30 AM</u>	JOB FINISH <u>8:45 AM</u>
LEASE <u>Lee</u>	WELL # <u>3-27</u>	LOCATION <u>Tribune 5N 1E 1W 3/4E SK</u>	COUNTY <u>Creech</u>	STATE <u>Ks</u>			
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR Choyenne #8
 TYPE OF JOB Cmt 4 1/2 Prod. Csg
 HOLE SIZE 7 7/8 T.D. 3030
 CASING SIZE 4 1/2 105# DEPTH 3030
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX 1500 MINIMUM 50
 MEAS. LINE _____ SHOE JOINT _____

OWNER Same
 CEMENT AMOUNT ORDERED
550 SKs Lite + 5# Gilsomite 4# Flo-seal
250 SK ASC + 5# Gilsomite
 COMMON 250 SKs @ 10.65 2,662.50
 POZMIX _____ @ _____
 GEL _____ @ _____
 CHLORIDE _____ @ _____
Lite 550 SKs @ 7.95 4,372.50
Flo-Seal 138# @ 1.40 193.20
Gilsomite 4000# @ .50 2,000.00
 HANDLING 897 SKs @ 1.35 1,210.95
 MILEAGE 5¢ per SK/mile 2,691.00

CEMENT LEFT IN CSG. _____
 PERFS. _____
 DISPLACEMENT 48.2 BBL

EQUIPMENT
 PUMP TRUCK CEMENTER Max
 # 191 HELPER Wayne
 BULK TRUCK
 # 281 DRIVER Larry
 BULK TRUCK
 # 260 DRIVER Jared Jim

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TOTAL 13,130.15

REMARKS:
Cmt 4 1/2 Csg with 550 SKs Lite & 250 SKs A.S.C. Drop Plug Washup Pump Lines Disp 48 1/2 BBL Lead Plug Cement To surface then last Returns

DEPTH OF JOB 3030
 PUMP TRUCK CHARGE 1,180.00
 EXTRA FOOTAGE @ _____
 MILEAGE 60 mi @ 4.00 240.00
 PLUG @ _____

TOTAL 1,420.00

CHARGE TO: Horseshoe Operating
 STREET _____
 CITY _____ STATE _____ ZIP _____

FLOAT EQUIPMENT
1- 4 1/2 Float Store 200.00
8- 4 1/2 Centralizers @ 45.00 360.00
2- 4 1/2 Cement Baskets @ 116.00 232.00
1- 4 1/2 Latch Down Plug @ 300.00 300.00

TOTAL 4,092.00

To Allied Cementing Co., Inc.
 You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

TAX _____
 TOTAL CHARGE _____
 DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE HAWK

PRINTED NAME

ALLIED CEMENTING CO., INC.

WE
12078

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:
DAKLEY

DATE <u>8-15-04</u>	SEC. <u>27</u>	TWP. <u>175</u>	RANGE <u>40W</u>	CALLED OUT	ON LOCATION <u>6:00 AM</u>	JOB START <u>8:00 PM</u>	JOB FINISH <u>8:30 AM</u>
LEASE <u>LEE</u>	WELL # <u>3-27</u>	LOCATION <u>TRIBUNE 5N-1E-1N-1E-1/4S</u>	COUNTY <u>GREELY</u>	STATE <u>Ks</u>			
OLD OR <input checked="" type="radio"/> NEW (Circle one)							

CONTRACTOR CHEYENNE DRILL RENTERS OWNER SAME

TYPE OF JOB SURFACE

HOLE SIZE 12 1/4" T.D. 280'

CASING SIZE 8 5/8" DEPTH 280'

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. 15'

PERFS. _____

DISPLACEMENT 16 1/2 OBL.

CEMENT AMOUNT ORDERED 175 SKS COM 280' 1/4 SEAL

COMMON	<u>175 SKS</u>	@	<u>8 85</u>	<u>15.48 75</u>
POZMIX		@		
GEL		@		
CHLORIDE	<u>4 SKS</u>	@	<u>30 00</u>	<u>120 00</u>
		@		
	<u>FLO-SEAL 44*</u>	@	<u>1 40</u>	<u>61 60</u>
		@		
		@		
		@		
HANDLING	<u>179 SKS</u>	@	<u>1 25</u>	<u>223 75</u>
MILEAGE	<u>0.54 PER SK/MILE</u>			<u>537</u>

EQUIPMENT

PUMP TRUCK CEMENTER TERRY

191 HELPER WAYNE

BULK TRUCK DRIVER JARROD

_____ DRIVER _____

TOTAL 2491 10

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REMARKS:

CEMENT DID CRACK

SERVICE

DEPTH OF JOB	<u>280'</u>		
PUMP TRUCK CHARGE			<u>520 00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>60 MI</u>	@	<u>4 00</u>
PLUG		@	
		@	
		@	

THANK YOU

TOTAL 760 00

CHARGE TO: HORSESHOE OPERATING, INC

STREET _____

CITY _____ STATE _____ ZIP _____

FLOAT EQUIPMENT

	@	
	@	
	@	
	@	
	@	

TOTAL _____

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TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE H A L K

PRINTED NAME _____