

*for  
McPherson  
2/02/09*

**WELL COMPLETION FORM**

**WELL HISTORY - DESCRIPTION OF WELL & LEASE**

Operator: License # 33325  
Name: Petroleum Development Corporation  
Address: 1775 Sherman Street, Suite 3000  
City/State/Zip: Denver, CO 80203  
Purchaser: Priority Oil & Gas  
Operator Contact Person: Larry Robbins  
Phone: (303) 860-5800  
Contractor: Name: Schaal Drilling, Co. LLC & Advanced Drilling Technologies, LLC  
License: 33775 & 33532  
Wellsite Geologist: N/A

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>03/28/2008</u>	<u>03/31/2008</u>	<u>04/30/2008</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 023-20953-0000  
County: Cheyenne  
W2 - SW - NW Sec. 16 Twp. 5 S. R. 40  East  West  
1980 feet from S /  (circle one) Line of Section  
330 feet from E /  (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE SE  NW SW  
Lease Name: McPherson Well #: 12-16  
Field Name: Cherry Creek Niobrara Gas Area

Producing Formation: Niobrara  
Elevation: Ground: 3672' Kelly Bushing: 3684'  
Total Depth: 1601' Plug Back Total Depth: 1551'  
Amount of Surface Pipe Set and Cemented at 10 joints @ 415 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set \_\_\_\_\_ Feet  
If Alternate II completion, cement circulated from \_\_\_\_\_  
feet depth to \_\_\_\_\_ w/ \_\_\_\_\_ sx cmt.

**Drilling Fluid Management Plan** Ait I ncr 3-4-09  
(Data must be collected from the Reserve Pit)  
Chloride content 5000 ppm Fluid volume 50 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: Regulatory Agent Date: February 02, 2009

Subscribed and sworn to before me this 2 day of February

20 09  
Notary Public: *[Signature]* **PAUL WHISENAND**  
**NOTARY PUBLIC**  
**STATE OF COLORADO**  
Date Commission Expires: \_\_\_\_\_

My Commission Expires 03/27/2010

**KCC Office Use ONLY**

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

**RECEIVED**  
**KANSAS CORPORATION COMMISSION**  
**FEB 04 2009**  
**CONSERVATION DIVISION**  
**WICHITA, KS**

Operator Name: Petroleum Development Corporation Lease Name: McPherson Well #: 12-16  
 Sec. 16 Twp. 5 S. R. 40  East  West County: Cheyenne

**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 (Attach Additional Sheets)  Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (Submit Copy)  List All E. Logs Run:  CDL, CNL, Dual Induction, CBL	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample  Name Top Datum Niobrara 1412'   <div style="text-align: center;"> <b>RECEIVED</b>  <b>KANSAS CORPORATION COMMISSION</b>   <b>FEB 04 2009</b>   <b>CONSERVATION DIVISION</b>  <b>WICHITA, KS</b> </div>
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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	11"	7"	17#	415'	Type I/II	110	
Production	6 1/8"	4 1/2"	10.5 #	1583'	Type I/II	75	2% KCL

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
2	1434'-1446'	500 gals 7.5% HCL, 70 Quality N2 foam,	1434'-1446'
		86 bbls 25# pad, 243 bbls fluid system,	
		96220 lbs of Daniels 16/30 mesh sand	
		3800 lbs of Ceramax 16/30 resin coated sand	
		345 MSCF N2	

TUBING RECORD	Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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Date of First, Resumerd Production, SWD or Enhr. <b>09/23/2008</b>	Producing Method <input checked="" type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)			
Estimated Production Per 24 Hours	Oil Bbls. 0	Gas Mcf 50	Water Bbls. 0	Gas-Oil Ratio n/a

Disposition of Gas	METHOD OF COMPLETION	Production Interval
<input type="checkbox"/> Vented <input checked="" type="checkbox"/> Sold <input type="checkbox"/> Used on Lease (If vented, Submit ACO-18.)	<input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	_____

SCHAAL DRILLING, CO.  
PO BOX 416  
BURLINGTON, CO. 80807  
719-346-8032  
**FIELD REPORT**  
**SURFACE CASING, DRILLING AND CEMENTING**

DRILLING DATE 3-27-08

WELL NAME & LEASE # McPherson 12-16

MOVE IN, RIG UP, DIG PITS ETC. DATE 3-26-08 TIME 6:00 AM PM

SPUD TIME 8:00 AM PM SHALE DEPTH 315 TIME 1:00 AM PM

HOLE DIA. 11 FROM 0 TO 406 TD TIME 2:00 AM PM

CIRCULATE, T.O.O.H., SET 401.50 FT CASING 414.50 KB FT DEPTH

10 JOINTS 7 OD #/FT 14 15.5 17 20 23

PUMP 110 SAC CEMENT 664 GAL.DISP. CIRC. 3 BBL TO PIT

PLUG DOWN TIME 3:30 AM PM DATE 3-28-08

CEMENT LEFT IN CSG. 20 FT TYPE: PORTLAND CEMENT I/II ASTM C 150  
CENTRALIZER 1 CEMENT COST \$ 2114.88

ELEVATION 3672  
+12KB 3884

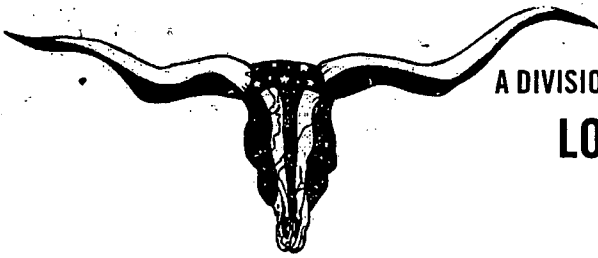
PIPE TALLY

1. 39.10  
2. 39.10  
3. 37.60  
4. 39.10  
5. 39.10  
6. 39.00  
7. 43.50  
8. 37.90  
9. 43.50  
10. 43.60  
11.  
12.  
13.  
14.  
15.  
TOTAL 401.50

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KANSAS CORPORATION COMMISSION

FEB 04 2009

CONSERVATION DIVISION  
WICHITA KS



A DIVISION OF ADVANCED DRILLING TECHNOLOGIES, LLC.

# LONGHORN CEMENTING CO.

P.O. BOX 203 YUMA, COLORADO 80759  
 Phone: 970-848-0799 Fax: 970-848-0798

FIELD SERVICE TICKET  
AND INVOICE

DATE 3-31-08 TICKET NO. 1567

DATE OF JOB <u>3-31-08</u> DISTRICT		NEW WELL <input checked="" type="checkbox"/> OLD WELL <input type="checkbox"/> PROD <input type="checkbox"/> INJ <input type="checkbox"/> WDW <input type="checkbox"/> CUSTOMER ORDER NO.:	
CUSTOMER <u>PDC</u>		LEASE <u>McPherson 12-16</u> WELL NO.	
ADDRESS		COUNTY STATE <u>KS</u>	
CITY STATE <u>KS</u>		SERVICE CREW <u>Thomas</u>	
AUTHORIZED BY		EQUIPMENT <u>111 pump</u>	
TYPE JOB:	DEPTH FT.	CEMENT DATA: BULK <input type="checkbox"/>	SAND DATA: SACKS <input type="checkbox"/>
SIZE HOLE:	DEPTH FT.	SACKS BRAND TYPE	% GEL ADMIXES
SIZE & WT. CASTING <input type="checkbox"/> NEW <input type="checkbox"/> USED <input type="checkbox"/>	DEPTH FT.		
SIZE & WT. D PIPE OR TUBING	DEPTH FT.		
TOP PLUGS TYPE: <u>CR</u>	WEIGHT OF SLURRY: <u>15</u>	LBS. / GAL.	LBS. / GAL.
<u>TD 1600</u>	VOLUME OF SLURRY: <u>17.5</u>		
<u>PRTD 1568.81</u>	<u>75</u> SACKS CEMENT TREATED WITH <u>7</u> % OF <u>KIL</u>		
MAX DEPTH FT.	MAX PRESSURE <u>2000</u>	PSI.	
		TRUCK CALLED <u>111</u>	DATE AM TIME
		ARRIVED AT JOB	AM PM
		START OPERATION	AM PM
		FINISH OPERATION	AM PM
		RELEASED	AM PM
		MILES FROM STATION TO WELL	

CONTRACT CONDITIONS: (This contract must be signed before the job is commenced or merchandise is delivered).

The undersigned is authorized to execute this contract as an agent of the customer. As such, the undersigned agrees and acknowledges that this contract for services, materials, products, and/or supplies includes all of and only these terms and conditions appearing on the front and back of this document. No additional or substitute terms and/or conditions shall become a part of this contract without written consent or an officer of Advanced Drilling Technologies, LLC.

SIGNED: \_\_\_\_\_  
(WELL OWNER, OPERATOR, CONTRACTOR OR AGENT)

ITEM / PRICE REF. NUMBER	MATERIAL, EQUIPMENT AND SERVICES USED	UNIT	QUANTITY	UNIT PRICE	\$ AMOUNT
001-2	Depth Charge, Cement/Mileage				4200 <sup>00</sup>
300-12	7" Centralizer	1	1		36 <sup>44</sup>
400-2	Cal		1 SKS		50 <sup>00</sup>
400-4	Kil		3 SKS		360 <sup>00</sup>
	20 BBL Mud Wash				
	Cement 17.5 BBL Slurry				
	D. Slurry 24.9 BBL				
	Set plug @ 2000 psi.				

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SUB TOTAL 4346<sup>00</sup>

ACID DATA:			
GALLONS	%	ADDITIVES	
HCL			
HCL			

SERVICE & EQUIPMENT	% TAX ON \$	
MATERIALS	% TAX ON \$	
TOTAL		

THANKS

SERVICE REPRESENTATIVE <u>[Signature]</u>	THE ABOVE MATERIAL AND SERVICE ORDERED BY CUSTOMER AND RECEIVED BY <u>[Signature]</u>
FIELD SERVICE ORDER NO.	(WELL OWNER, OPERATOR, CONTRACTOR OR AGENT)