

**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 # 31160
 Name: Phillips Exploration Company, LC
 Address: 4109 N Ironwood
 City/State/Zip: Wichita KS 67226
 Purchaser: _____
 Operator Contact Person: James B. Phillips
 Phone: (316) 636-2256
 Contractor: Name: 5892
 License: Berentz Drilling Company, Inc.
 Wellsite Geologist: Joe Baker
 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. _____

<u>11-09-04</u>	<u>11-19-04</u>	
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

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 FEB 24 2005
 CONSERVATION DIVISION
 WICHITA, KS

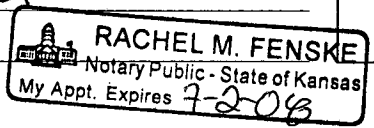
API No. 15 - 155 - 00-00
 County: Reno
C W2 SE Sec. 18 Twp. 26 S. R. 8 East West
1320 feet from S / N (circle one) Line of Section
1980 feet from E (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW SW
 Lease Name: Keller Well #: 3-18
 Field Name: Lerado
 Producing Formation: _____
 Elevation: Ground: 1626 Kelly Bushing: 1631
 Total Depth: 3972 Plug Back Total Depth: _____
 Amount of Surface Pipe Set and Cemented at 258 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
 (Data must be collected from the Reserve Pit) *PJA KR 3/4/08*
 Chloride content _____ ppm Fluid volume _____ bbls
 Dewatering method used Hauled all fluids
 Location of fluid disposal if hauled offsite: _____
 Operator Name: R & B Oil & Gas
 Lease Name: Beat License No.: _____
 Quarter _____ Sec. _____ Twp. 26 S. R. 7 East West
 County: Reno 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: Agent Date: 2/24/05
 Subscribed and sworn to before me this 24 day of February,
 2005.
 Notary Public: [Signature]
 Date Commission Expires: _____



KCC Office Use ONLY

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

Operator Name: Phillips Exploration Company, LC Lease Name: Keller Well #: 3-18
 Sec. 18 Twp. 26 S. R. 8 East West County: Reno

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: Dual Induction- Compensated Density	<input checked="" 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>Heebner</td> <td>3120</td> <td>-1489</td> </tr> <tr> <td>Brown Lime</td> <td>3290</td> <td>-1659</td> </tr> <tr> <td>B/KC</td> <td>3702</td> <td>-2071</td> </tr> <tr> <td>cherokee shale</td> <td>3829</td> <td>-2198</td> </tr> <tr> <td>Miss cht</td> <td>3898</td> <td>-2267</td> </tr> <tr> <td>Miss Lime</td> <td>3968</td> <td>-2337</td> </tr> <tr> <td>RTD</td> <td>3972</td> <td>-2341</td> </tr> </table>	Name	Top	Datum	Heebner	3120	-1489	Brown Lime	3290	-1659	B/KC	3702	-2071	cherokee shale	3829	-2198	Miss cht	3898	-2267	Miss Lime	3968	-2337	RTD	3972	-2341
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RTD	3972	-2341																							

CASING RECORD <input 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	12 1/4	8 5/8	23	258	70/30 Poz	250	4% CC

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 <i>(Amount and Kind of Material Used)</i>
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TUBING RECORD	Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input type="checkbox"/> No

Date of First, Resumerd Production, SWD or Enhr.	Producing Method <input type="checkbox"/> Flowing <input 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

Disposition of Gas **METHOD OF COMPLETION** Production Interval

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

CONSOLIDATED OIL WELL SERVICES, INC.

211 W. 14TH STREET, CHANUTE, KS 66720

620-431-9210 OR 800-467-8676

TICKET NUMBER 2332

LOCATION Eureka, KS

FOREMAN Steve Mearns

TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
11-10-04	6290	Keller 3-18	18	26	8 W	Reno
CUSTOMER Phillips Exploration Co. LC						
MAILING ADDRESS 4109 N. Ironwood						
CITY Wichita	STATE Ks	ZIP CODE 67226				

TRUCK #	DRIVER	TRUCK #	DRIVER
444	Alan		
442	Anthony		

JOB TYPE Surface HOLE SIZE 12"4 HOLE DEPTH 268' CASING SIZE & WEIGHT 8 5/8 38#
 CASING DEPTH 258' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT _____ SLURRY VOL _____ WATER gal/sk _____ CEMENT LEFT in CASING 15'
 DISPLACEMENT 15 1/2 DISPLACEMENT PSI 500 lbs MIX PSI RATE _____

REMARKS: Safety Meeting: Rig up to 8 5/8 casing. Break circulation w/ 6 bbls Fresh Water. Mix 250 sks 70/30 Poz mix 2% Gel, 4% CaCl2. 1/4" Floccle. Displace with 15 1/2 bbls Fresh Water. Final pumping pressure 500 psi. Close casing end at 300 psi. Job Complete Tear down

12 bbls Slurry

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Thank you

CONSERVATION DIVISION
WICHITA, KS

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401S	1	PUMP CHARGE	550.00	550.00
5406	85 miles	MILEAGE	2.35	199.75
1127	250 sks	70/30 Poz mix	7.65	1912.50
1118	8 sks Gel	2%	12.40	99.20
1102	8 sks	Calcium Chloride 4%	35.70	285.60
1107	2 1/2 sks	Floccle 1/4 lbs	40.00	100.00
4432	1	8 5/8 Wooden Plug	50.00	50.00
5407A	11 Tons	85 miles	794.75	794.75
			Sub Total	3996.80
			SALES TAX 6.3%	151.88
			ESTIMATED TOTAL	4095.75

AUTHORIZATION Michael J. Duke

TITLE Toolpusher

193913

DATE 11-10-04 4:45 PM

TERMS

In consideration of the prices to be charged for our services, equipment and products, as set forth in Consolidated Oil Well Services, Inc's (COWS) current Price Schedule, and for the performance of services and supplying of materials; customer agrees to the following terms and conditions.

Terms. Cash in advance unless satisfactory credit is established. On credit sales, invoices payable to P.O. Box 884, Chanute, KS 66720. Invoices payable within 30 days of invoice date. Charges subjected to interest after 30 days from invoice date. Interest will be charged at Maximum rate allowed by law. In the event it is necessary to employ an attorney to enforce collection of such account, customer agrees pay all collection costs and attorney's fees in the amount of 20% of said amount.

Any applicable federal, state or local sales, use, occupation, consumer's or emergency taxes shall be added to the quoted price.

A sales tax reimbursement of 2% is applied to chemical and product charges for all services performed on oil and gas wells in the State of Texas.

All process license fees required to be paid to others will be added to the scheduled prices.

All prices are subject to change without notice.

SERVICE CONDITIONS

Customer warrants that the well is in proper condition to receive the services, equipment, products, and materials to be supplied by COWS.

"The customer shall at all time have complete care, custody, and control of the well, the drilling and production equipment at the well, and the premises about the well. A responsible representative of the customer shall be present to specify depths, pressures, or materials used for any service which is to be performed."

(a) COWS shall not be responsible for, and customer shall secure COWS against any liability for damage to property of customer and of the well owner (if different from customer), unless caused by the willful misconduct or gross negligence of COWS; this provision applying to but not limited to sub-surface damage and surface damage arising from subsurface damage.

(b) Customer shall be responsible for and secure COWS against any liability for reservoir loss or damage, or property damage resulting from sub-surface pressure, losing control of the well and/or a well blowout, unless such loss or damage is caused by the willful misconduct of gross negligence of COWS.

(c) Customer shall be responsible for and secure COWS against any and all liability of whatsoever nature for damages as a result of a subsurface trespass, or an action in the nature thereof, arising from a service operation performed by COWS hereunder.

(d) Customer shall be responsible for and secure COWS against any liability for injury to or death of persons, other than employees of COWS, or damage to property (including, but not limited to, injury to the well), or any damages whatsoever, irrespective of cause, growing out of or in any way connected with the use of radioactive material in the well hole, unless such damage shall be caused by the willful misconduct or gross negligence of COWS.

(e) COWS makes no guarantee of the effectiveness of the products, supplies or materials; nor of the results of any treatment or services.

(f) Because of the uncertainty of variable well conditions and the necessity of relying on facts and supporting services furnished by others, COWS is unable to guarantee the accuracy of any chart, interpretation, research analysis, job recommendation or other data furnished by COWS. COWS personnel will use their best efforts in gathering such information and their best judgment in interpreting it, but customer agrees that COWS shall not be responsible for any damage arising from the use of such information except where due to COWS gross negligence or willful misconduct in the preparation or furnishing of it.

WARRANTIES - LIMITATION OF LIABILITY

COWS warrants only title to the products, supplies and materials and that the same are free from defects in workmanship and materials. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED OR MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. COWS's liability and customer's exclusive remedy in any cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale or use of any products, supplies or materials is expressly limited to the replacement of such products, supplies or materials on their return to COWS or, at COWS's option, to the allowance to the customer of credit for the cost of such items. In no event, shall COWS be liable for special, incidental, indirect, punitive or consequential damages.

COWS personnel will use their best efforts in gathering such information and their best judgement in interpreting it, but Customer agrees that COWS shall not be liable for and CUSTOMER SHALL INDEMNIFY AGAINST ANY DAMAGED ARISING FROM THE USE OF SUCH INFORMATION, even if such is contributed by the COWS negligence or fault.

ALLIED CEMENTING CO., INC. 20190 ✓

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

SERVICE POINT
Craft Fair

DATE <i>11-20-04</i>	SEC. <i>18</i>	TWP. <i>26</i>	RANGE <i>8 W</i>	CALLED OUT <i>5:00 pm</i>	ON LOCATION <i>8:15 pm</i>	JOB START <i>11:00 pm</i>	JOB FINISH <i>2:30 am</i>
LEASE <i>Keller</i>	WELL # <i>3-18</i>	LOCATION <i>1/4 & 1/2 Highway - South to</i>		COUNTY <i>Rego</i>	STATE <i>KS</i>		
OLD OR NEW (Circle one) <u>NEW</u>				<i>Procter Denker Rd. 2 1/2 west North into</i>			

CONTRACTOR *Berents Dalg*

TYPE OF JOB *1st Plug*

HOLE SIZE *7 1/8* T.D. *3972*

CASING SIZE _____ DEPTH _____

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. _____

PERFS. _____

DISPLACEMENT _____

OWNER *Phillips Exploration Co*

CEMENT AMOUNT ORDERED *12 1/2 5x 20/40 2 1/2 gal*

COMMON	<i>87M</i>	@	<i>7.85</i>	<i>682.95</i>
POZMIX	<i>58 M</i>	@	<i>4.10</i>	<i>237.80</i>
GEL	<i>5 M</i>	@	<i>11.00</i>	<i>55.00</i>
CHLORIDE		@		
ASC		@		

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HANDLING	<i>150M</i>	@	<i>1.35</i>	<i>202.50</i>
MILEAGE	<i>150M .05</i>	<i>41</i>		<i>307.50</i>
				TOTAL <i>1485.75</i>

REMARKS:

1st plug @ 1300' with 35 sy cement
2nd plug @ 850' with 35 sy cement
3rd plug @ 300' with 35 sy cement
4th plug @ 60' with 25 sy cement
Prothale 12 1/2 sy cement

SERVICE

DEPTH OF JOB	<i>1300'</i>			
PUMP TRUCK CHARGE				<i>510.00</i>
EXTRA FOOTAGE		@		
MILEAGE	<i>41</i>	@	<i>4.00</i>	<i>164.00</i>
MANIFOLD		@		
		@		
				TOTAL <i>\$734.00</i>

CHARGE TO: *Phillips Exploration Co*
 STREET *1109 N. Ironwood*
 CITY *Wichita* STATE *Ks* ZIP *67221*

PLUG & FLOAT EQUIPMENT

<i>1-8 1/2 Wood</i>	@	<i>30.00</i>	<i>30.00</i>
	@		
	@		
	@		
	@		
TOTAL <i>30.00</i>			

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 *Michael Dalg*

PRINTED NAME

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "Allied" shall mean Allied Cementing Co., Inc., and "Customer" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "merchandise" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

—**TERMS:** Unless satisfactory credit has been established, "CUSTOMER" must tender full cash payment to "ALLIED" before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, "CUSTOMER" agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwithstanding the foregoing, in no event shall this Contract provide for interest exceeding the maximum rate of interest that "CUSTOMER" may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate, any amounts previously paid as excess interest shall be deducted from the amounts owing from the "CUSTOMER" or at the option of "ALLIED," refunded directly to "CUSTOMER." For purposes of this paragraph, ALLIED and CUSTOMER agree that KANSAS law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.

—**ATTORNEY FEES:** In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the terms of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limited to, a reasonable sum as and for attorney's fees.

—**PRICES AND TAXES:** All merchandise listed in "ALLIED'S" current price schedule are F.O.B. ALLIED'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by ALLIED shall be added to the quoted prices charged to CUSTOMER.

—**TOWING CHARGES:** ALLIED will make a reasonable attempt to get to and from each job site using its own equipment. Should ALLIED be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ a tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by ALLIED, will be charged to and paid by CUSTOMER.

—**PREPARATION CHARGES:** If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay ALLIED for the expenses incurred by ALLIED as a result of the cancellation.

—**DEADHAUL, CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charge as set forth in ALLIED'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.

—**SERVICE CONDITIONS AND LIABILITIES:** 1. ALLIED carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond ALLIED'S control, ALLIED shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. Customer shall be responsible for and indemnify, defend, and hold harmless ALLIED, its officers, agents and employees, from and against any and all claims or suits for:

(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with ALLIED'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of ALLIED or its employees.

2. With respect to any of ALLIED'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to ALLIED at the landing, CUSTOMER shall either recover the lost item without cost to ALLIED or reimburse ALLIED the current replacement cost of the item unless the loss or damage results from the sole negligence of ALLIED or its employees.

3. ALLIED does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

WARRANTIES: 1. ALLIED warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. ALLIED'S obligation under this warranty is expressly limited to repair, replacement, or allowance for credit, at its option, for any merchandise which is determined by ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and ALLIED shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.

2. More specifically:

(A) Nothing in this contract shall be construed as a warranty by ALLIED of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.

(B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the wilful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.

(C) Work done by ALLIED shall be under the direct supervision and control of the CUSTOMER or his agent and ALLIED will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.