

ORIGINAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

RECEIVED

AUG 09 2004

KCC WICHITA

Operator: License # 3532
 Name: CMX, Inc.
 Address: 150 N. Main, Suite 1026
 City/State/Zip: Wichita, KS 67202
 Purchaser: _____
 Operator Contact Person: Douglas H. McGinness II
 Phone: (316) 269-9052
 Contractor: Name: Pickrell Drilling Co.
 License: 5123
 Wellsite Geologist: Ken LeBlanc
 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>3/31/2004</u> | <u>4/8/04</u> | <u>4/8/04</u> |
| Spud Date or Recompletion Date | Date Reached TD | Completion Date or Recompletion Date |

API No. 15 - 007-22808-0000
 County: Barber
 S/2 SE NW Sec. 12 Twp. 30 S. R. 12 East West
2310 feet from S (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: House Well #: 2
 Field Name: Unnamed Discovery
 Producing Formation: _____
 Elevation: Ground: 1835 Kelly Bushing: 1840
 Total Depth: 3850 Plug Back Total Depth: _____
 Amount of Surface Pipe Set and Cemented at 331 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 *P+A KR 2/21/08*
 (Data must be collected from the Reserve Pit)
 Chloride content _____ ppm Fluid volume 200 bbls
 Dewatering method used Hauled off
 Location of fluid disposal if hauled offsite: _____
 Operator Name: _____
 Lease Name: Mac SWD 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: President Date: 8/4/2004
 Subscribed and sworn to before me this 4th day of August,
 2004.
 Notary Public: [Signature]
 Date Commission Expires: 2/7/08

KCC Office Use ONLY

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

DONNA L. MAY-MURRAY
 Notary Public - State of Kansas
 My Appt. Expires 2/7/08

Operator Name: CMX, Inc. Lease Name: House Well #: 2
 Sec. 12 Twp. 30 S. R. 12 East West County: _____

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> 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 <i>(Submit Copy)</i> List All E. Logs Run: Compensated Density/Neutron, Dual Induction | <input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum See 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 | 12 1/4" | 8 5/8" | 23 | 331 | 60/40 Poz | 225 | 2%gel, 3% 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> | Depth |
|----------------|---|--|-------|
| | | | |
| | | | |
| | | | |
| | | | |

| | | | | | | |
|--|-----------|--|-------------|---------------|-----------|---|
| TUBING RECORD | | Size | Set At | Packer At | Liner Run | <input type="checkbox"/> Yes <input checked="" 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 Vented Sold Used on Lease *(If vented, Submit ACO-18.)*

METHOD OF COMPLETION

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

Production Interval

Daily Drilling Report

DRILLING REPORT

| | | |
|-----------------------------------|-----------------------------------|---------------------------|
| Well Name: House #2 | API Code: 1500722808 | Ref Well: House #1 |
| Location S/2 SE NW 12 \ 30S \ 12W | Lease Name: House #2 | Ref Loc: NE SW SW - 12/ 3 |
| County / State: BARBER, KS | Field: | County: BARBER, KS |
| GL Level: 1835 | Contractor: Pickrell Drilling Co. | GL Level: 1843 |
| KB Level: 1840 | Operator: CMX, Inc. | KB Level: 1852 |

Current Date 04-Aug-04

Page 1 of 2

Formation Tops

| Formation Name | Current Well Top | Subsea Datum | Ref Well Top | Ref Subsea | +/- To Ref Well | Comments |
|------------------|------------------|--------------|--------------|------------|-----------------|--------------------|
| Herington | 1992 | -152 | 1989 | -137 | -15 | |
| B/Florence | 2256 | -416 | 2210 | -358 | -58 | |
| Red Eagle | 2642 | -802 | 2653 | -801 | -1 | |
| Onaga | 2761 | -921 | 2770 | -918 | -3 | |
| Indian Cave Sand | 2768 | -928 | 2780 | -928 | 0 | |
| Wabaunsee | 2819 | -979 | 2829 | -977 | -2 | |
| Stotler | 2960 | -1120 | 2969 | -1117 | -3 | |
| Tarkio Sand | 2976 | -1136 | 0 | 1852 | -2988 | |
| Tarkio Lime | 3015 | -1175 | 3027 | -1175 | 0 | |
| Topeka | 3200 | -1360 | 0 | 1852 | -3212 | |
| Howard | 3200 | -1360 | 0 | 1852 | -3212 | No reference depth |
| Kanwaka Shale | 3500 | -1660 | 0 | 1852 | -3512 | |
| Oread | 3654 | -1814 | 0 | 1852 | -3666 | |
| Heebner | 3732 | -1892 | 0 | 1852 | -3744 | |
| Toronto | 3746 | -1906 | 0 | 1852 | -3758 | |
| TD | 3850 | -2010 | 0 | 1852 | -3862 | |

Daily Drilling Details Report

| Date | Start Depth | Daily Remarks |
|-----------|-------------|--|
| 3/31/2004 | 0 | MIRT, RURT & Spud. |
| 4/1/2004 | 230 | Spud @ 3:30 AM. Drilled 12 1/4" hole to 336'. SHT @ 336' = 0 degrees. Ran 8 jts. Of new 8 5/8" 23# surface casing set # 331' KB, cement w/225 sacks of 60/40 Poz, 2% gel, 3% cc. PD @ 11:00 AM. Cement did not circulate. Run 1" line and pump cement down from 60' w/100 sacks of Class A, 3% cc. PD @ 12:15 PM on 4-1-04. Cement circulated. Allied ticket # 15160. WOC, shut down. |
| 4/2/2004 | 336 | Shut down until 7:00 PM tonight. |
| 4/3/2004 | 815 | Drilling @ 815' @ 7:00 AM. |
| 4/4/2004 | 2017 | Drilling @ 2017'. SHT 1 degree @ 1500'. |
| 4/5/2004 | 2660 | 2660' @ 7:00 AM. Running DST #1, Red Eagle, from 2640'-2660'. Had a fair show of gas in sample. Fair show of gas, fair show of fluorescence, fast yellow cut, spotted tan stain, fair buggy porosity in porous crystalline Lime in 12' of zone. |
| 4/6/2004 | 2790 | 2790', TOH with DST#2, Indian Cave. Circulate @ 2780' & 2790' for 45 mins. Sand stone to silk stone, light gray, very fine grain, shows of oil and gas, tan spotted stain, gas kick, HW-270 units, Chrome C1-85u, C2-28u, C3-9u, C4-2u. Tool slid 10' after open. Circulate for samples @ 2988', Tarkio, Sparce sand clusters with no shows. Circulate @ 3220', Howard for 45". After DST #2 CTCH, drilling ahead & encountered significant gas increases and recycles from 2791'-2819'. Will evaluate potential on e-log. |
| 4/7/2004 | 3246 | Drilling @ 3246'. |

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| | | |
|-----------------------------------|-----------------------------------|---------------------------|
| Well Name: House #2 | API Code: 1500722808 | Ref Well: House #1 |
| Location S/2 SE NW 12 \ 30S \ 12W | Lease Name: House #2 | Ref Loc: NE SW SW - 12/ 3 |
| County / State: BARBER, KS | Field: | County: BARBER, KS |
| GL Level: 1835 | Contractor: Pickrell Drilling Co. | GL Level: 1843 |
| KB Level: 1840 | Operator: CMX, Inc. | KB Level: 1852 |

Current Date **04-Aug-04**

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4/8/2004 3850 We encountered a thicker than anticipated Indian Cave Sand channel which destroyed any potential for structural gain in the Howard and Topeka sections. The Indian Cave Sand is not clean enough to be productive until a depth of 2788' and although the zone contains gas, as evidenced from the drill cuttings and gas detector, it does not appear to have enough of a gas column above known water. The pay zone is unfortunately too thin and we would likely end up with a very small gas well that makes a lot of water if we tried to complete the Indian Cave. The Tarkio Sand is virtually truncated and is not a viable reservoir in this well. Minor zones were observed in the Howard and Topeka but these zones calculated wet on the well logs. The Toronto porosity zone that is productive to the northeast in Sec 6 is not developed in the House #2. Based upon the drill stem test results and well log calculations it is recommended the House #2 be plugged and abandoned. On another note, we plan to treat the House #1 with a small nitrogen foam frac sometime in the next few weeks. This treatment should enhance our production and now is a good time to implement this plan given the price of gas. We will send out more info on this idea at a later date.

DRILL STEM TEST RESULTS

| DST | Date | Formation | Int Start | Int End | ISIP | FSIP | IFP | FFP | Time Interval |
|------------------|----------|--|---|---------|------------------|------|--------------------------------|---------|---------------|
| 1 | 4/5/2004 | Red Eagle | 2624 | 2660 | 905 | 888 | 25-201 | 202-323 | 30-60-45-60 |
| 1st Open: | | Fair blow increasing OBOB in 9" | 2nd Open: Fair blow increasing OBOB in 14" | | Recovery: | | 60' MCSW, 570' SW | | |
| 2 | 4/6/2004 | Indian Cave | 2730 | 2790 | 745 | 718 | 90*112 | 75-133 | 30-60-45-60 |
| 1st Open: | | Fair to strong blow OBOB in 9" no GTS. | 2nd Open: Strong blow OBOB in 1", no GTS. | | Recovery: | | 2100' GIP, 250' Mud, 100% mud. | | |

Casing History

| Size | Weight | Grade | Brand | Type | Condition | Set Depth | Footage |
|--------|--------|-------|-------|------|-----------|-----------|---------|
| 8 5/8" | 23# | | | | new | 331 | 0 |

Cement Description: 225 sx 60/40 poz, 2% gel, 3% cc.

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KCC WICHITA

ALLIED CEMENTING CO., INC. 15130

PO. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT: Med Lodge

| | | | | | | | |
|--|-----------------|------------------------|------------------|---------------------------|----------------------------|---------------------------|----------------------------|
| <u>1-1-04</u> | SEC. <u>A</u> | TWP. <u>30S</u> | RANGE <u>62W</u> | CALLED OUT <u>7:00 AM</u> | ON LOCATION <u>8:30 AM</u> | JOB START <u>10:45 AM</u> | JOB FINISH <u>12:15 PM</u> |
| <u>House</u> | WELL # <u>2</u> | LOCATION <u>Isabel</u> | | COUNTY <u>Barber</u> | STATE <u>KS</u> | | |
| <input checked="" type="radio"/> OLD OR NEW (Circle one) | | <u>15 1 1/2 W 3/4</u> | | | | | |

CONTRACTOR Pickrell
 TYPE OF JOB Surface
 HOLE SIZE 4 1/4 T.D. 336
 CASING SIZE 8 5/8 x 23 DEPTH 336
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX 200 MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____
 CEMENT LEFT IN CSG. 15 @ 321'
 PERFS. _____
 DISPLACEMENT 2 1/2 BBLs Fresh H₂O

OWNER CMX Inc.
 CEMENT AMOUNT ORDERED
225 sx 60.40.2 @ 3 1/2 cc
Top off 100 sx A 3 1/2
 COMMON A 135 @ 7.15 965.25
 POZMIX 90 @ 3.80 342.00
 GEL 6 @ 12.00 72.00
 CHLORIDE 9 @ 30.00 270.00
Top off 100 @ 7.15 715.00
 HANDLING 340 @ 1.15 391.00
 MILEAGE 340 x 20 .85 340.00
 TOTAL 3088.25

EQUIPMENT

PUMP TRUCK CEMENTER Justin Hart
 # 360-302 HELPER Dwayne West
 BULK TRUCK DRIVER Larry Goldsberry
 # _____ DRIVER _____

REMARKS:

Pipe on BTM Break Circ
225 sx 60.40.2 @ 3 1/2 cc @ 14.8
Release Plug Disp 20k BBLs
Fresh H₂O Shut Head in leaving
200 # Perf on CSG
Did not Circulate Cement
Top Off 100 sx A 3 1/2 cc

SERVICE

DEPTH OF JOB 336
 PUMP TRUCK CHARGE 8-300 520.00
 EXTRA FOOTAGE 36 @ .50 18.00
 MILEAGE 340 @ 3.50 1190.00
 PLUG Wood @ 45.00

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TOTAL 653.00

KCC WICHITA

FLOAT EQUIPMENT

| | | |
|-------|---|-------|
| _____ | @ | _____ |
| _____ | @ | _____ |
| _____ | @ | _____ |
| _____ | @ | _____ |
| _____ | @ | _____ |

CHARGE TO: CMX Inc.
 STREET _____
 CITY _____ STATE _____ ZIP _____

ALLIED CEMENTING CO., INC. 15160

P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT: _____
M.I. _____

| | | | | | | | | |
|--|---------|----------|------------|--------------------------------------|--------------------------------|------------------------------|-----------------------------|--|
| DATE 4-8-04 | SEC. 12 | TWP. 30s | RANGE 12w | CALLED OUT 7 ⁰⁰ pm | ON LOCATION 7 ³⁰ pm | JOB START 9 ¹⁵ pm | JOB FINISH 10 ³⁰ | |
| LEASE House | | | WELL# 2 | LOCATION Isabel 1 south, 1 1/2 west, | | COUNTY Barber | STATE KS | |
| <input checked="" type="radio"/> OLD OR <input type="radio"/> NEW (Circle one) | | | South side | | | | | |

CONTRACTOR Pickrell Drilling

TYPE OF JOB Rotary plug

HOLE SIZE 7 1/2 T.D. _____

CASING SIZE _____ DEPTH _____

TUBING SIZE _____ DEPTH _____

DRILL PIPE 4 1/2 DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM 50

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. _____

PERFS. _____

DISPLACEMENT _____

OWNER Cmx

CEMENT

AMOUNT ORDERED 135 sx 60:40:6

| | | | | | |
|----------|-----------------------|---|---|--------------|---------------|
| COMMON | <u>81</u> | A | @ | <u>7.15</u> | <u>579.15</u> |
| POZMIX | <u>54</u> | | @ | <u>3.80</u> | <u>205.20</u> |
| GEL | <u>7</u> | | @ | <u>10.00</u> | <u>70.00</u> |
| CHLORIDE | | | @ | | |
| | | | @ | | |
| | | | @ | | |
| | | | @ | | |
| | | | @ | | |
| HANDLING | <u>142</u> | | @ | <u>1.15</u> | <u>163.30</u> |
| MILEAGE | <u>20 x 142 x .05</u> | | | | <u>142.00</u> |

TOTAL 1159.65

EQUIPMENT

PUMP TRUCK CEMENTER Mike Pucker

352 HELPER Tracy Cushmanburg

BULK TRUCK

363 DRIVER Larry Copa

BULK TRUCK

354 DRIVER Larry Dreiling

REMARKS:

1st Plug 700' 9¹⁵ pm Mix 50sx 60:40:6 @
13.8 weight Disp. with 7 bbl fresh h₂O.
2nd Plug: 360' 9⁰⁰ pm Mix 50sx 60:40:6 @
13.8 weight Disp. with 3 bbl fresh h₂O.
3rd Plug 40' 10⁰⁰ Mix 10sx 60:40:6 @ 13.8 weight
Disp. 1 bbl fresh 10³⁰ Mix 10sx mousehole.
10⁰⁰ Mix 15sx Pathole.

SERVICE

| | | | | | |
|-------------------|-------------|--|---|-------------|---------------|
| DEPTH OF JOB | <u>700'</u> | | | | |
| PUMP TRUCK CHARGE | | | | | <u>520.00</u> |
| EXTRA FOOTAGE | | | @ | | |
| MILEAGE | <u>20</u> | | @ | <u>4.00</u> | <u>80.00</u> |
| PLUG | <u>No</u> | | @ | | |
| | | | @ | | |
| | | | @ | | |

TOTAL 600.00

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AUG 09 2004

KCC WICHITA

CHARGE TO: Cmx

STREET _____

CITY _____ STATE _____ ZIP _____

FLOAT EQUIPMENT

No

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____