

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

ORIGINAL

Operator: License # 31609
Name: Priority Oil & Gas LLC
Address: PO Box 27798
City/State/Zip: Denver, CO 80227-0798
Purchaser: Enserco Energy
Operator Contact Person: Robbie Gries
Phone: (303) 296-3435
Contractor: Name: Advanced Drilling Technologies
License: 33532
Wellsite Geologist: none

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>3-03-07</u>	<u>03-04-07</u>	<u>03-22-067</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 023-20742-0000

County: Cheyenne

SE SE SE Sec. 7 Twp. 5 S. R. 41 East West

332 feet from (S) N (circle one) Line of Section

440 feet from (E) W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) NE (SE) NW SW

Lease Name: Day Well #: 1-7

Field Name: Cherry Creek

Producing Formation: Beecher Island/Niobrara

Elevation: Ground: 3616' Kelly Bushing: 3628

Total Depth: 1560' Plug Back Total Depth: 1525'

Amount of Surface Pipe Set and Cemented at 211' @ 224' KB Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set _____ Feet

If Alternate II completion, cement circulated from N/A

feet depth to _____ w/ _____ sx cmt.

Drilling Fluid Management Plan AHJ NH 7-8-08
(Data must be collected from the Reserve Pit)

Chloride content ~18-19,000 ppm Fluid volume ~250 bbls

Dewatering method used Evaporate

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: Robbie Gries

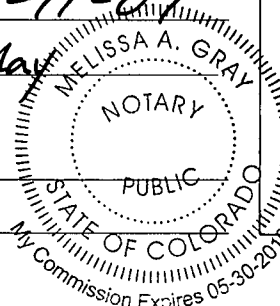
Title: President Date: 5-11-07

Subscribed and sworn to before me this 11th day of May

2007

Notary Public: Melissa A. Gray

Date Commission Expires: 5-30-10



KCC Office Use ONLY

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

RECEIVED

MAY 15 2007

CONSERVATION DIVISION
WICHITA, KS

Operator Name: Priority Oil & Gas LLC Lease Name: Day Well #: 1-7
 Sec. 7 Twp. 5 S. R. 41 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 <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: CNL-Density Induction-SP-GR Cement Bond	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum Niobrara Beecher Island 1379' 2249'
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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	9 1/2 in	7 in	17 #	224 KB	Portland I/II	60	
Production	6 1/4 in	4 1/2 in	10.5 #	1526 KB	Type I	75	2% KCL

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
___ Perforate				
___ Protect Casing				
___ Plug Back TD				
___ 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
4	1380'-1413'	44,400 gal Mav-100 CMHPG gel/CO2 foam	1380'
		100,220# 16/30 Brady sand & 20 ton CO2	1413'
		Spearheaded w/ 500 gal 7½% HCL acid	

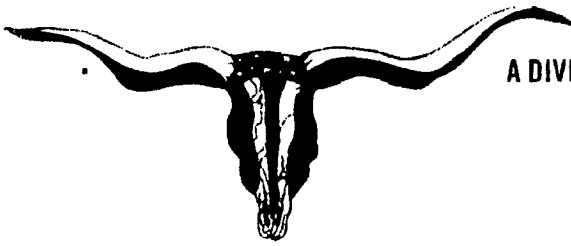
TUBING RECORD	Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input type="checkbox"/> No
none				

Date of First, Resumed Production, SWD or Enhr.	Producing Method <input checked="" type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)
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Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
	N/A	120 MCF/day	0 Bbl/day		

Disposition of Gas <input type="checkbox"/> Vented <input checked="" type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Sumit ACO-18.)</i>	METHOD OF COMPLETION <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	Production Interval
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KANSAS CORPORATION COMMISSION
MAY 15 2007
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 3-5-07 TICKET NO. 1042

DATE OF JOB <u>3-5-07</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>Priority Oil</u>	LEASE <u>Day</u>	WELL NO. <u>1-7</u>						
ADDRESS	COUNTY	STATE						
CITY	STATE	SERVICE CREW <u>Dave</u>						
AUTHORIZED BY	EQUIPMENT <u>#712</u>							
TYPE JOB:	DEPTH	FT.	CEMENT DATA: BULK <input type="checkbox"/>	SAND DATA: SACKS <input type="checkbox"/>	TRUCK CALLED	DATE	AM	TIME
			SACKS	BRAND	TYPE	% GEL	ADMIXES	
SIZE HOLE: <u>6 1/2</u>	DEPTH	FT.	<u>75</u>	<u>A</u>	<u>T-T</u>			ARRIVED AT JOB
SIZE & WT. CASTING <u>NEW 4 1/2</u>	DEPTH	FT.						START OPERATION
SIZE & WT. D PIPE OR TUBING	DEPTH	FT.						FINISH OPERATION
TOP PLUGS	TYPE:	WEIGHT OF SLURRY: <u>15</u>	LBS. / GAL.	<u>1.2</u>	LBS. / GAL.			RELEASED
		VOLUME OF SLURRY <u>16.7</u>	gals					MILES FROM STATION TO WELL
<u>PBTD</u>	MAX DEPTH <u>1525.61</u>	FT.	MAX PRESSURE	P.S.I.				

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
<u>001-2</u>	<u>Depth Charge Cement mileage</u> <u>As per Contract</u>				<u>4200</u> <u>∞</u>
<u>300-2</u>	<u>4 1/2 Accum Seal Float Shoe</u>		<u>1</u>		<u>267</u> <u>07</u>
<u>300-4</u>	<u>4 1/2 Catch Down Baffle & plug</u>		<u>1</u>		<u>226</u> <u>00</u>
<u>300-6</u>	<u>4 1/2 Centralizers</u>		<u>7</u>		<u>250</u> <u>88</u>
<u>300-9</u>	<u>4 1/2 Scratchers</u>		<u>7</u>		<u>243</u> <u>60</u>
<u>300-12</u>	<u>7" Centralizer</u>		<u>1</u>		<u>36</u> <u>44</u>
<u>400-2</u>	<u>key stay</u>		<u>2.5</u>	<u>gal</u>	<u>80</u> <u>00</u>
<u>400-4</u>	<u>Kcl</u>		<u>100</u>	<u>lb</u>	<u>40</u> <u>30</u>
				RECEIVED	<u>5343</u> <u>99</u>
				KANSAS CORPORATION COMMISSION	
<u>0325</u>	<u>Mud Flush 10.1</u>			MAY 15 2007	
<u>0330</u>	<u>Cement 16.8</u>				
<u>0340</u>	<u>Displacement 24.24</u>			CONSERVATION DIVISION	
<u>0350</u>	<u>Bump plug @ 1600 psi</u>			WICHITA, KS	

SUB TOTAL

ACID DATA:		
GALLONS	%	ADDITIVES
HCL		
HCL		

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

THANK YOU

SERVICE REPRESENTATIVE Dale Brunner

THE ABOVE MATERIAL AND SERVICE ORDERED BY CUSTOMER AND RECEIVED BY: Dale Brunner
 (WELL OWNER, OPERATOR, CONTRACTOR OR AGENT)

SCHAAL DRILLING, CO.
PO BOX 416
BURLINGTON, CO. 80807
719-346-8032

FIELD REPORT
SURFACE CASING, DRILLING AND CEMENTING

DRILLING DATE 3-3-07

WELL NAME & LEASE # Day 1-7

MOVE IN, RIG UP, DIG PITS ETC. DATE 3-2-07 TIME 2:30 AM PM

SPUD TIME 8:00 AM PM SHALE DEPTH 160 TIME 8:45 AM PM

HOLE DIA. 9 1/2 FROM 0 TO 215 TD TIME 9:00 AM PM

CIRCULATE, T.O.O.H., SET 211.46 FT CASING 224.46 KB FT DEPTH

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

PUMP 60 SAC CEMENT 330 GAL.DISP. CIRC. 1/2 BBL TO PIT

PLUG DOWN TIME 10:15 AM PM DATE 3-03-07

CEMENT LEFT IN CSG. 30' TYPE: PORTLAND CEMENT I/II ASTM C 150
CENTRALIZER 1 CEMENT COST \$ 1077.29

ELEVATION 3616
+12KB 3628

PIPE TALLY

1. 42.30
 2. 42.25
 3. 42.33
 4. 42.33
 5. 42.25
 - 6.
 - 7.
 - 8.
 - 9.
 - 10.
 - 11.
 - 12.
- 211.46

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WICHITA, KS