

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE**

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

*County: 5/12/08
KCC*

Operator: License # 33677
 Name: Canary Operating Corporation
 Address: 7230 W. 162nd Street, Suite A
 City/State/Zip: Stilwell, KS 66085
 Purchaser: Canary Pipeline, Inc.
 Operator Contact Person: Steve Allee
 Phone: (913) 239-8960
 Contractor: Name: Canary Drilling, Inc.
 License: 33799
 Wellsite Geologist: Rex R. Ashlock
 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>3/11/08</u>	<u>5/05/08</u>	<u>5/5/08</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 121-28520-0000
 County: Miami
SE SW NE Sec. 13 Twp. 16 S. R. 24 East West
2310 feet from S / (circle one) Line of Section
1650 feet from E W (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW SW
 Lease Name: Ray Well #: 30-13-16-24
 Field Name: Forrest City Coal Gas Area (KCC)
 Producing Formation: Lexington, Summit, Mulky, Bevier, Mineral, & Tebo Coals
 Elevation: Ground: 1016 Kelly Bushing: _____
 Total Depth: 729 Plug Back Total Depth: _____
 Amount of Surface Pipe Set and Cemented at 20 Feet
 Multiple Stage Cementing Collar Used? Yes No
 Yes, show depth set _____ Feet
 If Alternate II completion, cement circulated from 482
 feet depth to surface w/ 98 sx cm.
API 2-Dig - 7/10/08
 Drilling Fluid Management Plan
 (Data must be collected from the Reserve Pit)
 Chloride content NA ppm Fluid volume 60 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.: _____

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MAY 09 2008
KANSAS CORPORATION COMMISSION
CONSERVATION DIVISION
WICHITA, KS**

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.
 Canary Operating Corporation

Signature: BY: [Signature]
 Title: COO Date: 5-6-08
 Subscribed and sworn to before me this 6 day of May
20 08
 Notary Public: [Signature]
 Date Commission Expires: 1/10/2009

KCC Office Use ONLY

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

REX R. ASHLOCK
 Notary Public - State of Kansas
 My Appt. Exp. 1/10/09

Operator Name: **Canary Operating Corporation** Lease Name: **Ray** Well #: **30-13-16-24**
 Sec. **13** Twp. **16** S. R. **24** East West County: **Miami**

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 Yes No
 (Attach Additional Sheets)
 Samples Sent to Geological Survey Yes No
 Cores Taken Yes No
 Electric Log Run Yes No
 (Submit Copy)

Log Formation (Top), Depth and Datum Sample
 Name Top Datum

Driller's Log to be sent at a later date

List All E. Logs Run:

No E-log as of form date, will send one when well logged

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	13.5	10.75	NA	20'	Reg	10	None
Production	9.5	7.0	17.0	482'	Portland	98	2% CaCl ₂
							2% Gel

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
None	Open hole completed from 482 to 729'	None	
		280.97 of 4 1/2" perf'd liner, not cmt'd	

TUBING RECORD		Size	Set At	Packer At	Liner Run
		1"	to be set at 690' +/-	None	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of First, Resumerd Production, SWD or Entr.		Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)			
W.O. gas, electric, & wtr lines					
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcl	Water Bbls.	Gas-Oil Ratio	Gravity
	None	NA	NA	None	

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

x To be sold

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 MAY 09 2008
 CONSERVATION DIVISION
 WICHITA, KS

DRILLER'S LOG

CRAY #30-13-16-24-
 SECT 13-T16S-R24E
 MIAMI CO., KS
 API # 15-121-28520
 CANARY OPERATING CORP.

CONTR: CANARY DRLG CO.
 SPUD: 3/11/08
 SURF CSG: 10 3/4" @ 20', 10 SX
 PROD CSG: 7" @ 482' (3/26/08)
 TD: 729' (5/5/08)

SOIL	5	SH W/ LS STKS	514
LS BKN	10	LS	524
LS	26	SH	530
SH	76	BLK SH	533
LS	88	LIMY SH	538
SH DK	90	SH W/ LS STK	552
LS	93	BLK SH & COAL	558
SH	110	SILTY-SNDY SH	609
LS	114	SAND HD (NO SHOW)	614
BLK SH	116	SH	623
SH W/ SND STKS	155	BLK SH & COAL	625
LS	165	SH	629
SH	178	LS	632
LS	208	BLK SH-SH-COAL	638
BLK & GY SH	212	SH	648
LS	238	RED BED	660 (WTR)
BLK SH	244	SH DK GY & BLK	666
LS	256 (B. KS)	SAND & SNDY SH	680
BLK SH	258	SH & SLTY SH	706
SH SLTY	315	BLK SH & COAL	714
SH SLTY & SNDY	346	SH DK GY	729
SH	364	TOTAL DEPTH	739
SH SNDY-SHLY SS	373		
SH	406		
BLK SH	409		
SNDY SH	439		
LS	444		
BLK SH	446		
LS	452		
BLK SH & SH	456		
LS	468		
SH V SNDY	475		
SH DK	484		
LS DK BRN HD	488		
BLK SH & COAL	491		

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JUN 09 2008

CONSERVATION DIVISION
 WICHITA, KS

CONSOLIDATED OIL WELL SERVICES, INC.

P.O. BOX 884, CHANUTE, KS 66720

620-431-9210 OR 800-467-8676

cont'd
5/9/08
KW

TICKET NUMBER 15980

LOCATION Ottawa KS

FOREMAN Fred Maden

TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
3/26/08	2642	Ray # 30-13-16-24	13	16	24	M1
CUSTOMER Canary Operating Corp			TRUCK #			
MAILING ADDRESS 7230 W 162nd			DRIVER			
CITY Stillwell		STATE KS	ZIP CODE 66085		TRUCK #	
			DRIVER			
			506 Fred			
			495 Casey			
			510 ERIC			
			369 Gary			

JOB TYPE Long string HOLE SIZE 9 1/2 HOLE DEPTH 484 CASING SIZE & WEIGHT 7"
 CASING DEPTH 482 DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT _____ SLURRY VOL _____ WATER gal/sk _____ CEMENT LEFT in CASING 10' +
 DISPLACEMENT 19.0 BBL DISPLACEMENT PSI _____ MIX PSI _____ RATE 53 PM

REMARKS: Establish circulation. Mix + Pump 100# Premium Gel
Flush. Mix + Pump 13 BBL Tell tale dye. Mix + Pump
102 sks Class A Cement w/ 2% Gel 2% Calcium Chloride
Displace 7" clean w/ 19 BBL Fresh water. Shut in
Casing.

Fred Maden

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE Cement Pump	495	875 ⁰⁰
5406	40 mi	MILEAGE Pump Truck	495	138 ⁰⁰
5407	Minimum	Ton Mileage	510	300 ⁰⁰
5502C	3 hrs	80 BBL Vac Truck	369	282 ⁰⁰
11043	98 sks	Class A Portland Cement		1264 ³⁰
1118B	292#	Premium Gel		46 ⁷²
1102	192	Calcium Chloride		134 ⁴⁰
Sub Total				3040 ³²
Tax @ 6.5%				94.67
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			SALES TAX	
			ESTIMATE TOTAL	3134.99

AUTHORIZATION Rex Aslock was here TITLE 220899

DATE _____