

**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

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 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>4/26/07</u>	<u>5/18/07</u>	<u>5/22/07</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-121-28399 ~00-00
 County: Miami
 NW SW NW Sec. 18 Twp. 16 S. R. 25 East West
1650 feet from S / N (circle one) Line of Section
330 feet from E / W (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW SW
 Lease Name: Deer Well #: 24-18-16-25
 Field Name: Paola-Rantoul
 Producing Formation: Lexington, Summit, & Mulky
 Elevation: Ground: 1049 Kelly Bushing: _____
 Total Depth: 664' Plug Back Total Depth: _____
 Amount of Surface Pipe Set and Cemented at 20 Feet
 Multiple Stage Cementing Collar Used? Yes No
 If yes, show depth set _____ Feet
 If Alternate II completion, cement circulated from 664
 feet depth to surface w/ 128 sx cmt.
 Drilling Fluid Management Plan API INH 7-9-08
(Data must be collected from the Reserve Pit)
 Chloride content NA ppm Fluid volume 160 +/- 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.

Canary Operating Corporation
 Signature: By: [Signature]
 Title: COO Date: 5-23-07
 Subscribed and sworn to before me this 23rd day of May
 20 07
 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

RECEIVED
 KANSAS CORPORATION COMMISSION
 MAY 25 2007
 CONSERVATION DIVISION
 WICHITA, KS

Operator Name: **Canary Operating Corporation** Lease Name: **Deer** Well #: **24-18-16-25**
 Sec. **18** Twp. **16** S. R. **25** 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

List All E. Logs Run: **None as of ACO-1 Date**

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 1/2"	10 3/4"	NA	20'	Common	10	None
Production	9 7/8"	7.0"	17.00	513'	Portland	128	2% CaCl ₂ 2 % gel 1/4#/sx Flo seal

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 513 to 664 TD	None	
		4 1/2" steel perf'd liner, top at 504	
		btm at 664'	

TUBING RECORD		Size	Set At	Packer At	Liner Run
		2 3/8"	to be set at 640' +/-	None	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of First, Resumed Production, SWD or Enhr.		Producing Method			
W.O. Gas, Electric, & Wtr lines		<input type="checkbox"/> Flowing <input checked="" 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
	None	NA	NA	None	

Disposition of Gas Vented Sold Used on Lease (If vented, Submit ACO-18.)

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled Other (Specify)

To be sold

RECEIVED
 KANSAS CORPORATION COMMISSION
 MAY 25 2007
 CONSERVATION DIVISION
 WICHITA, KS

CONSOLIDATED OIL WELL SERVICES, INC.

P.O. BOX 884, CHANUTE, KS 66720

620-431-9210 OR 800-467-8676

TICKET NUMBER **15439**

LOCATION Ottawa KS

FOREMAN Fred Madu

TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
5/18/07	2642	Deer # 24	15	16	25	M1
CUSTOMER Canary Operating Corp			TRUCK #	DRIVER	TRUCK #	DRIVER
MAILING ADDRESS 7230 West 162nd Ste A			506	Fred		
CITY Stilwell			495	Casey		
STATE KS			369	Ken		
ZIP CODE 66085			195	Gary		

JOB TYPE Logging HOLE SIZE 9 1/8 HOLE DEPTH 515' CASING SIZE & WEIGHT 7" - 11#/ft
 CASING DEPTH 512' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT _____ SLURRY VOL _____ WATER gal/sk _____ CEMENT LEFT IN CASING 15'
 DISPLACEMENT 21 BBL DISPLACEMENT PSI _____ MIX PSI _____ RATE 584m

REMARKS: Wash casing to bottom. Mix + Pump 200# Premium Gal Fuel. Mix Pump 13 BBL Telltale dye ahead of SKS Class A Cement 2% Gal 2% Calcium Chloride 1/4" Flo Seal per sack. Displace 7" casing w/20.6 BBL Fresh water. Shut in casing.

Fred Madu

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE Cement Pump	495	840.00
5406	40 mi	MILEAGE Pump Truck	495	132.00
5407	Minimum	Ten Mileage	195	295.00
5502C	2 hrs	20 BBL Vac Truck	369	180.00
11045	128	SKS Class A Portland Cement		1561.60
1118B	352	Premium Gal		52.80
1102	252	Calcium Chloride		168.84
407	34	Flo Seal		64.60
Sub Total				3294.84
Tax @ 6.55%				
RECEIVED				
KANSAS CORPORATION COMMISSION				
MAY 25 2007				
CONSERVATION DIVISION				
WILLIAMS, KS SALES TAX				
ESTIMATED TOTAL				

AUTHORIZATION *R.A. [Signature]*

TITLE

DATE 5/18/07