

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 9855
Name: Grand Mesa Operating Company
Address: 200 E. First St., Ste 307
City/State/Zip: Wichita, KS 67202
Purchaser: N/A **KCC**
Operator Contact Person: Ronald N. Sinclair
Phone: (316) 285-3000 **NOV 31 2006**
Contractor: Name: Abercrombie RTD, Inc. **CONFIDENTIAL**
License: 30684

Wellsite Geologist: Wes Hanson
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. _____

10/15/06	10/23/06	10/23/06
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 187-21086-00-00
County: Stanton
W/2 SW SE SW Sec. 18 Twp. 28 S. R. 40 East West
330 feet from S N (circle one) Line of Section
1420 feet from E W (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Circle 8 Well #: 3-18
Field Name: Wildcat
Producing Formation: None
Elevation: Ground: 3315' Kelly Bushing: 3323'
Total Depth: 5570' Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 43 jts @ 1724' 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 **PANH 8-25-08**
(Data must be collected from the Reserve Pit)
Chloride content 2,000 ppm Fluid volume 1,800 bbls
Dewatering method used Evaporation & Backfill
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: Ronald N. Sinclair
Title: President Date: October 31, 2006

Subscribed and sworn to before me this 31st day of October, 2006.
Notary Public: Phyllis E. Brewer
Date Commission Expires: JULY 21, 2007

PHYLLIS E. BREWER
Notary Public - State of Kansas
My Comm. Expires 7/21/07

KCC Office Use ONLY

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

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KCC WICHITA

Operator Name: Grand Mesa Operating Company Lease Name: Circle 8 Well #: 3-18
 Sec. 18 Twp. 28 S. R. 40 East West County: Stanton

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)

List All E. Logs Run:
 Dual Induction Log, Compensated Density/Neutron SSD Log,
 Borehole Comp. Sonic w/TT Log, Micro Log

<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Name	Top	Datum
Heebner	3684	- 361
Lansing	3780	- 457
Marmaton	4358	-1035
Little Osage	4528	-1205
Morrow Shale	5028	-1705
L/Morrow Marker	5303	-1980
Lower Keyes SSt.	Abst	
Miss. St. Gen.	5403	-2080
Miss. St. Louis	5450	-2127
LTD	5587	

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"	24#	1724'	A-Con	405SX	3% CC, 1/4#SX Flocele
				Tailended	Common	75SX	2% CC, 1/4#SX Flocele

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 checked="" type="checkbox"/> Plug Off Zone	5570'	60/40 Poz Mix	235SX	6% Gel, 1/4# SX Flocele

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
		KCC OCT 31 2006 CONFIDENTIAL	

TUBING RECORD		Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input type="checkbox"/> No
Date of First, Resumed 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.) Open Hole Perf. Dually Comp. Commingled Other (Specify) _____

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TREATMENT REPORT

Customer <i>Grand Mesa Operating Co</i>	Lease No. <i>CONFIDENTIAL</i>	Date <i>10-16-06</i>
Lease <i>Circle 8</i>	Well # <i>3-18</i>	
Field Order # <i>15522</i>	Station <i>Liberal</i>	Casing <i>8 5/8"</i> - Depth <i>1745</i>
Type Job <i>8 3/4" Surface</i>	Formation <i>(NW)</i>	County <i>Stanton</i> State <i>KS</i>
		Legal Description <i>18-285-40W</i>

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME		
Casing Size	Tubing Size	Shots/Ft		Acid <i>405 sk A Con</i>	RATE <i>37.0 CC - 1/4" Cellflake</i>	PRESS	ISIP	
Depth	Depth	From	To	Pre Pad <i>11.4 PPG - 3.06 ft³</i>	Max <i>19.2 Gal</i>		5 Min.	
Volume	Volume	From	To	Pad <i>175 sk Class "A"</i>	Min <i>2.9 CC - 1/4" Cellflake</i>		10 Min.	
Max Press	Max Press	From	To	Frac <i>15 PPG - 1.33 ft³</i>	Avg <i>6.34 Gal</i>		15 Min.	
Well Connection	Annulus Vol.	From	To		HHP Used		Annulus Pressure	
Plug Depth	Packer Depth	From	To	Flush <i>Water</i>	Gas Volume		Total Load	

Customer Representative	Station Manager <i>Jerry Bennett</i>	Treater <i>Kirby Harper</i>
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Service Units	<i>126</i>	<i>227</i>	<i>335</i>	<i>576</i>	<i>344</i>	<i>502</i>				
Driver Names	<i>Harper</i>	<i>Hoge</i>	<i>Broadfoot</i>	<i>Ordiz</i>	<i>Carlile</i>					

Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
<i>2030</i>					<i>On location - Spot + Rig up</i>
<i>2350</i>					<i>Casing on bottom - Break Circulation</i>
<i>0020</i>	<i>200</i>		<i>221</i>	<i>7</i>	<i>Mix 405 sk A Con @ 11.4 PPG</i>
<i>0102</i>	<i>200</i>		<i>41</i>	<i>3</i>	<i>Mix 175 sk Class "A" @ 15 PPG</i>
<i>0120</i>					<i>Shut down - drop top plug</i>
<i>0124</i>	<i>150</i>		<i>0</i>	<i>6</i>	<i>Displace with 108.5 bbl</i>
<i>0146</i>	<i>500</i>		<i>98</i>	<i>2</i>	<i>Slow Rate</i>
<i>0151</i>	<i>550-1100</i>		<i>108</i>		<i>Bump Plug</i>
<i>0152</i>	<i>1100-0</i>				<i>Release Pressure - Float Held</i>
					<i>Circulate cement to the pit</i>
					<i>Job Complete</i>

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Nov 3 2006

TREATMENT REPORT

CONFIDENTIAL

Customer <i>Grand Mesa Oper. Co.</i>	Lease No.	Date <i>10-23-06</i>
Lease <i>circle 8</i>	Well # <i>3-18</i>	
Field Order # <i>15620</i>	Station <i>Liberal Ks</i>	Casing
Type Job <i>PTA</i>	Formation <i>new well</i>	Depth
		County <i>Stanton</i>
		State <i>Ks</i>
		Legal Description <i>18-285-40W</i>

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME		
Casing Size	Tubing Size	Shots/Ft		Acid	RATE	PRESS	ISIP	
				<i>735 SKs 60/40 Poz</i>				
Depth	Depth	From	To	Pre Pad <i>6% Gel</i>	Max		5 Min.	
Volume	Volume	From	To	Pad	Min		10 Min.	
Max Press	Max Press	From	To	Frac	Avg		15 Min.	
Well Connection	Annulus Vol.	From	To		HHP Used		Annulus Pressure	
Plug Depth	Packer Depth	From	To	Flush	Gas Volume		Total Load	

Customer Representative <i>Nacho</i>	Station Manager <i>Jerry Bennett</i>	Treater <i>Allen F. Werth</i>
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Service Units	<i>125</i>	<i>227</i>	<i>338</i>	<i>576</i>					
Driver Names	<i>A. Werth</i>	<i>C. Hinz</i>	<i>Kirby</i>	<i>Harper</i>					

Time	Casing Pressure	Tubing Pressure	Bbbls. Pumped	Rate	Service Log
<i>1415</i>					<i>Abercrombie #3 on loc. Discuss Safety. Setup, Plan Job. Getting Ready to Run Plugging Stands</i>
<i>1712</i>					<i>Drill Pipe in Hole Pull 46 Stands</i>
<i>1915</i>					<i>D.P. @ 2540'</i>
			<i>10</i>	<i>3</i>	<i>Pump 10 BBLS H²⁰</i>
			<i>21</i>	<i>3</i>	<i>mix 100 SKs 60/40 Poz 6% Gel 14.5 #/gal 1.19 cu ft/sk</i>
			<i>3</i>	<i>3</i>	<i>Pump 3 BBLS H²⁰</i>
			<i>29</i>		<i>Pump 29 BBLS mud</i>
					<i>Pull D.P.</i>
<i>2030</i>			<i>10</i>	<i>3</i>	<i>D.P. @ 1750' - Pump 10 BBLS H²⁰</i>
			<i>10.5</i>		<i>mix 50 SKs 60/40 Poz 6% Gel - 14.5 #/gal, 1.19 cu ft/sk</i>
			<i>3</i>	<i>3</i>	<i>Pump 3 BBL H²⁰</i>
			<i>20</i>	<i>3</i>	<i>Pump 20 BBLS mud</i>
					<i>Pull D.P.</i>
<i>2145</i>			<i>10</i>	<i>3</i>	<i>D.P. @ 900' Pump 10 BBL H²⁰</i>
			<i>10.5</i>	<i>3</i>	<i>mix 50 SKs 60/40 Poz 6% Gel 14.5 #/gal 1.19 cu ft/sk</i>
			<i>4</i>	<i>3</i>	<i>Pump 4 BBL H²⁰</i>
<i>2245</i>			<i>4</i>		<i>Pull D.P. to mix 20 SKs 60/40 Poz</i>
			<i>3</i>		<i>Plug R.H w/ 15 SKs 60/40 Poz</i>
<i>0000</i>					<i>Job complete</i>

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Thanks crew

**GRAND
MESA**

OPERATING COMPANY

(316) 265-3000
FAX: (316) 265-3455

1700 N. WATERFRONT PARKWAY
BLDG. 600
WICHITA, KANSAS 67206-5514

August 19, 2008

Kansas Corporation Commission
Attn: Ms. Naomi Hollon
130 S. Market Rm #2078
Wichita, KS 67202

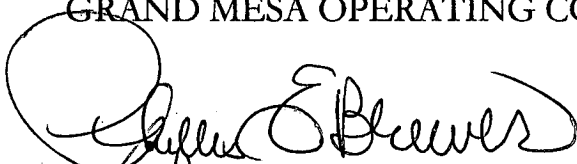
RE: Circle 8 #3-18 -- Section 18-28S-40W, Stanton County, Kansas

Dear Ms. Hollon:

Grand Mesa Operating Company received the letter requesting DST information on the above referenced well. I am writing to let you know that we did not run DST's on this well and the ACO-1 was apparently marked incorrectly as to this matter. Thank you for your attention to this matter.

Very truly yours,

GRAND MESA OPERATING COMPANY



Phyllis E. Brewer
Land Assistant

Enclosures

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KANSAS CORPORATION COMMISSION

AUG 20 2008

CONSERVATION DIV.
WICHITA, KS

AUG 18 2008

KANSAS

CORPORATION COMMISSION

Kathleen Sebelius, Governor Thomas E. Wright, Chairman Michael C. Moffet, Commissioner Joseph F. Harkins, Commissioner

August 14, 2008

GRAND MESA OPERATING COMPANY
1700 N WATERFRONT PKWY BLDG 600
WICHITA, KS 67206-5514

RE: API Well No. 15-187-21086-00-00
CIRCLE 8 3-18
W2SWSESW, 18-28S-40W
STANTON County, Kansas

Dear Operator:

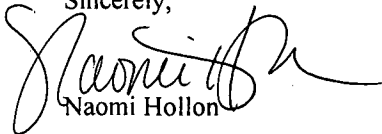
An affidavit of completion form (ACO-1) on the above referenced well was received on November 03, 2006. Technical review finds that the ACO-1 is incomplete. The information requested below, or an amended/corrected ACO-1, must be submitted by September 01, 2008. Only the current ACO-1 form will be accepted (Form ACO-1, Rev. 9-99), and only the lines marked below apply.

- All drilling and completion information. No ACO-1 has been received as of this date.
- Must be notarized and signed.
- Must have the ORIGINAL HARD COPY of ACO-1. We do not accept fax copies.
- Must be put on new form and typed.
- API # or date when original well was first drilled.
- Contractor License #.
- Designate type of Well Completion.
- If Workover/Re-entry, need old well information, including original completion date.
- Spud date. (Month, Day, Year)
- Other:
- TD and Completion date. (Month, Day, Year)
- Must have Footages from nearest outside corner of section.
- Side two on back of ACO-1 must be completed.
- Must have final copies of DST's/Charts.
- All original complete open and cased hole wireline logs run.
- A copy of geological reports compiled by wellsite geologist.
- A copy of all cement job logs showing type, amounts and additives used to cement casing strings, squeeze and/or to plug and abandon. (Note: Cement tickets must be from company providing the cement, not necessarily the contractor.)
- Any commingling information; File on the ACO-4 form.
- Anything HIGHLIGHTED on ACO-1.

K.C.C. regulation 82-3-107 provides confidentiality, upon written request, for a period of one year from the date of such letter request. Confidentiality rights are waived if the ACO-1 remains incomplete, or is not timely filed (within 120 days from the well's spud date) including: electric logs, geologist's wellsite reports, driller's logs, and Kansas Geological Survey requested samples.

Do not hesitate to call the Kansas Corporation Commission, Conservation Division, at (316) 337-6200 if there are any questions. PLEASE RETURN THIS FORM AND ANY ENCLOSURES WITH YOUR REPLY. Note: If the intent is incorrect, you need to file a corrected intent.

Sincerely,



Naomi Hollon
Production Department

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KANSAS CORPORATION COMMISSION

AUG 20 2008

CONSERVATION DIVISION
WICHITA, KS

10/31/08

**GRAND
MESA**

OPERATING COMPANY

(316) 265-3000
FAX: (316) 265-3455

307 FARMERS AND BANKERS BUILDING
200 EAST FIRST STREET
WICHITA, KANSAS 67202

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CONFIDENTIAL

October 31, 2006

Kansas Corporation Commission
130 S. Market Rm #2078
Wichita, KS 67202

RE: Circle 8 #3-18 -- Section 18-28S-40W, Stanton County, Kansas

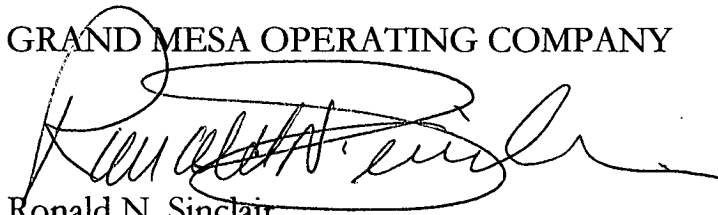
Gentlemen:

Grand Mesa Operating Company is hereby requesting that the enclosed information concerning the above-captioned well be held CONFIDENTIAL for at least a period of one (1) year.

Thank you for your attention to this matter and your cooperation is greatly appreciated.

Very truly yours,

GRAND MESA OPERATING COMPANY



Ronald N. Sinclair
President

Enclosures

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