

ORIGINAL

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

Form ACO-1
September 1999
Form Must Be Typed

Operator: License # 33583
Name: Admiral Bay (USA) Inc.
Address: 7060B S. Tucson Way
City/State/Zip: Centennial, CO 80112
Purchaser: Southern Star
Operator Contact Person: Steven Tedesco
Phone: (303) 350-1255
Contractor: Name: BC Steel
License: 33711

Wellsite Geologist: None
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>7/10/06</u>	<u>7/11/03</u>	<u>7/13/06</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

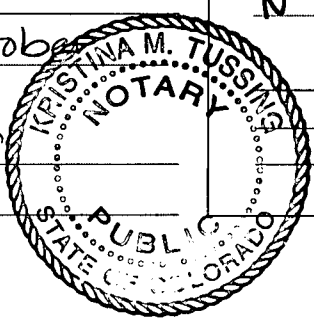
API No. 15 - 001-29483-00-00
County: Allen
_____ se ne Sec. 25 Twp. 26 S. R. 17 East West
2305 fnl _____ feet from S / (N) (circle one) Line of Section
685 fel _____ feet from (E) W (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) (NE) SE NW SW
Lease Name: Markham Well #: 8-25
Field Name: Humboldt-Chanute
Producing Formation: Bartlesville
Elevation: Ground: 927 Kelly Bushing: _____
Total Depth: 910 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 _____
feet depth to _____ w/ _____ sx cmt.

Drilling Fluid Management Plan Air II NR
(Data must be collected from the Reserve Pit) 12-2-08
Chloride content _____ ppm Fluid volume _____ bbls
Dewatering method used air dry
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: [Signature]
Title: President Date: 10/4/06
Subscribed and sworn to before me this 4th day of October
20 06
Notary Public: [Signature]
Date Commission Expires: 5-22-08



KCC Office Use ONLY
 Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
RECEIVED
KANSAS CORPORATION COMMISSION
OCT 06 2006

CONSERVATION DIVISION
WICHITA, KS

Operator Name: Admiral Bay (USA) Inc. Lease Name: Markham Well #: 8-25
 Sec. 25 Twp. 26 S. R. 17 East West County: Allen

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
 Excello 621 306
 Bartlesville 865 62

List All E. Logs Run:

Gamma Ray

CASING RECORD <input 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 5/8	8 5/8	20	20	Portland	5	
Production	6 3/4	4 1/2	9.5	906	Thickset	110	Kol & Flo seal; 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
2	865' to 880'	2200# 20/40 sand; 7800# 12/20 sand; 411 bbls water	865-880

TUBING RECORD	Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input type="checkbox"/> No

Date of First, Resumerd Production, SWD or Enhr.	Producing Method
9/1/06	<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

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 _____

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CONSERVATION DIVISION
WICHITA, KS



1530 S. SANTA FE, CHANUTE, KS 66720
620-431-9210 OR 800-487-8676

#3

TICKET NUMBER 29998

LOCATION Hayes

FIELD TICKET

DATE	CUSTOMER ACCT #	WELL NAME	OPR/QTR	SECTION	TWP	RGE	COUNTY	FORMATION
8/23/04	1067	MANCHESTER 8-25		25	26	17	ALLEN	Partlesville
CHARGE TO <u>Admiral Bay Resources</u>				OWNER				
MAILING ADDRESS				OPERATOR <u>Jim Morris</u>				
CITY & STATE				CONTRACTOR				

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION OF SERVICES OR PRODUCT	UNIT PRICE	TOTAL AMOUNT
5102B	1	PUMP CHARGE 1300 hr. Combo		1800-
5102D	0	Acid Blend of Frac Pump		0
5302	1	Acid Spot		305.00
5610	1	Acid Delivery		160.00
5111	1	Fracture		490.00
3107	700	1546 HCL		9100.00
4324	20	78" Brad Sealers		45.20
0	0	Water (Customer)		-
1231	500	Space Gel		2275.00
1208	1	Greaser		164.25
1205A	5	Bioside		126.25
1252	25	Grapples		875.00
5107	1	Chem. Inj. Pump		94.00
5115	1	Fracture		90.00
5604	1	Fracture		68.00
1215	35	KCL Sub		866.25
5103		BLENDING & HANDLING Gel fracture		265.00
5108	22	TON-MILES		NA
		STAND BY TIME		
5109	22	MILEAGE X 4		NA
5501F	22	WATER TRANSPORTS X 4		196.00
		VACUUM TRUCKS		
2101	2000 #	FRAC SAND 20/100		308.00
2102	7800 #	12/20		1248.00
		CEMENT		
			SALES TAX	2.85

ESTIMATED TOTAL 10289.30

CUSTOMER or AGENTS SIGNATURE _____ CIS FOREMAN Brett Busby

CUSTOMER or AGENT (PLEASE PRINT) Jim Morris DATE _____

208382 RECEIVED KANSAS CORPORATION COMMISSION

OCT 06 2006

CONSERVATION DIVISION WICHITA, KS

CONSOLIDATED OIL WELL SERVICES, INC.
 211 W. 14TH STREET, CHANUTE, KS 66720
 620-431-9210 OR 800-467-8676

3rd well

TICKET NUMBER 37716
 FIELD TICKET REF # 29998
 LOCATION Traver
 FOREMAN Brett Busby

TREATMENT REPORT
 FRAC & ACID

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
8-23-06		Markham 8-25	25	26S	17E	AL
CUSTOMER			TRUCK #			
Admiral Bay Resources			DRIVER			
MAILING ADDRESS			TRUCK #			
CITY			DRIVER			
STATE			TRUCK #			
ZIP CODE			DRIVER			

WELL DATA

CASING SIZE <u>4 1/2</u>	TOTAL DEPTH
CASING WEIGHT	PLUG DEPTH
TUBING SIZE	PACKER DEPTH
TUBING WEIGHT	OPEN HOLE
PERFS & FORMATION	
<u>885-80 (32)</u>	<u>Bartlesville</u>

TYPE OF TREATMENT
Acid spot - Frac

CHEMICALS

<u>KCL SUB</u>	<u>Breaker</u>
<u>Max-flu</u>	
<u>Acid</u>	
<u>Bioside</u>	

STAGE	BBL'S PUMPED	INJ RATE	PROPPANT PPG	SAND / STAGE	PSI	
PAD	65	16			800	BREAKDOWN 1275
20-40		16	.5-1.5	2,200#	800	START PRESSURE
12-20		16	1.5			END PRESSURE
12-20		16		3,100#	1260	BALL OFF PRESS
Ballsealers 5+10		12				ROCK SALT PRESS
Ballsealers 5	<u>(20)</u>	12			1700	15 IP 588
12-20		16			1154	5 MIN
12-20		16				10 MIN
12-20		16		4,700#	1970	15 MIN
FLUSH	13.9	16				MIN RATE
OVERFLUSH	1.2					MAX RATE
TOTAL	411		TOTAL SAND	10,000#	2275	DISPLACEMENT

REMARKS: spot 100 gal. - 15% HCl acid on perfs

Location 2:00PM - 3:30PM 20 miles
 AUTHORIZATION Jim Morin TITLE _____ DATE 8-23-06

Revised

FRACTURING WORK ORDER
CONSOLIDATED OIL-WELL SERVICES, INC.

Wed
Thursday

Name of Customer

425
Admiral Bay

Day _____
Date 8/21
Month 03 Time _____

Contact Person/Number

Jim Marley | 620-380-1398

Lease Name/Number

Markham 7-25, 4-25, 8-25, (Well Data)
SINITH 8-34 (Squirrel.)

Casing Size _____
Tubing/Packer _____
Depth _____

4 1/2
850-950'

Perforations: _____

spf _____

Zone(s) _____

Job Procedure:

3 SPOTS - 4 FRACS

2 - Bartlettville perfed., 1 - Bartlettville openhole
1 - Squirrel

EACH

TOTALS

Materials

FRAC VAN

Hydrochloric Acid:

Spot 100

Balloff

300

Bullhead _____

spotter dump tubing

Acid Chemicals:

16PT MaxFlo

Frac Sand:

30 - 20/40

150 - 15/20

Ballsealers:

Acid _____

Frac

Yes on 1

Rock Salt

Yes on openhole

Frac Fluid:

FRAC TANKS

Transports

2 ?

Fluid Loading:

30# gel - 500#

Frac Tanks

80 vac. _____

2% KCL
1% OClO6
MAXFLO OTE

Other Information:

Transfer load out - 400 lbs.

Job Location:

CALIFORNIA
400 | 25 | 80
ARIZONA

SECTION 25 - 1 mile Section
3 wells (markham)

Order Taken by:

Bell

Invoice # _____

Entered by _____

Prepared by: Consolidated Oil Well Services

Company Name: Admiral Bay

Well Name: Markham #8-25 BV

Field: Shiloh

Formation: Bartlesville

County: Allen

State: KS

Job Date: 08/23/06

Comments: Spot 100./ Sand Frac/Acid of, balls

Perfs 865-880, 32 shts

Spot 100, bullhead 300, of 300 gal

Fluids: 411 bbls, 30# gel, kcl, max, bio

Proppants: 2200 20/40, 7800# 12/20, 20 balls

Average Rate: 16

Average STP: 1300

Tubing:

Casing: 4 1/2

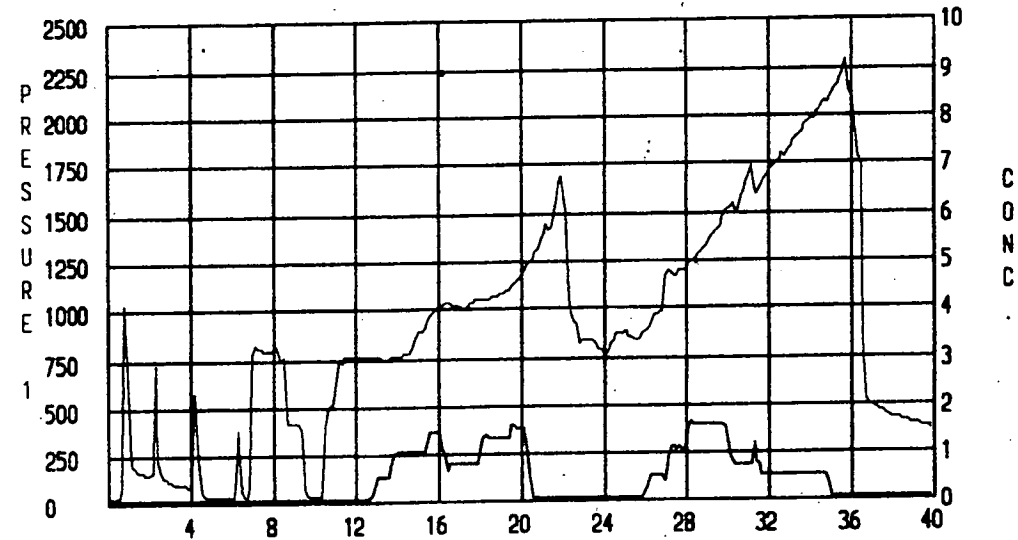
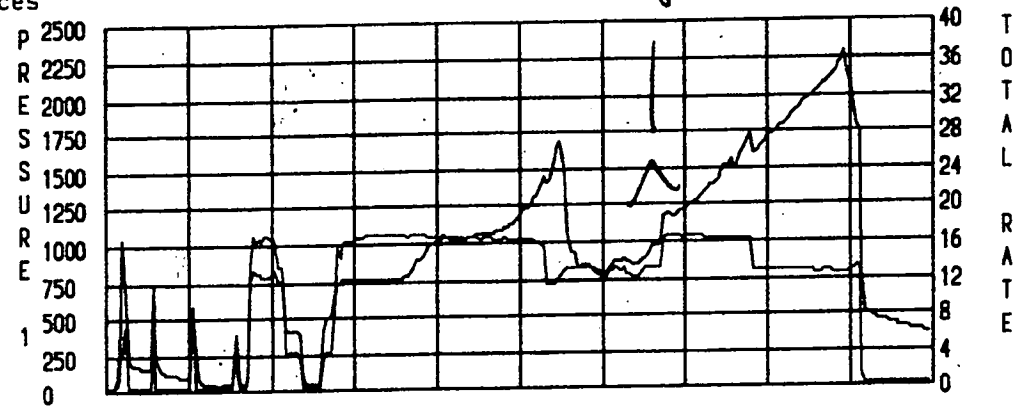
Packer:

Filename: 06081801

Closure Pres: 4000

LINEAR PLOT

20 Balls



Elapsed Time (min), Start at 14:27:19

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CONSOLIDATED OIL WELL SERVICES, INC.
 211 W. 14TH STREET, CHANUTE, KS 66720
 620-431-9210 OR 800-467-8676

3rd well

TICKET NUMBER 37716
 FIELD TICKET REF # 29998
 LOCATION Traver
 FOREMAN Brett Busby

TREATMENT REPORT
 FRAC & ACID

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
8-23-06		Markham 8-25	25	26S	17E	AL
CUSTOMER			TRUCK #	DRIVER	TRUCK #	DRIVER
Admiral Bay Resources			476	Dustin		
MAILING ADDRESS			490	Aaron		
CITY			449	Charlie		
STATE			482T74	Eric		
ZIP CODE			459	Charles		
			489T103	George		

WELL DATA

CASING SIZE <u>4 1/2</u>	TOTAL DEPTH
CASING WEIGHT	PLUG DEPTH
TUBING SIZE	PACKER DEPTH
TUBING WEIGHT	OPEN HOLE
PERFS & FORMATION	
<u>885-80 (32)</u>	<u>Bartlesville</u>

TYPE OF TREATMENT

Acid spot - frac

CHEMICALS

KCL SUB	Breaker
Max-flu	
Acid	
Biocide	

STAGE	BBL'S PUMPED	INJ RATE	PROPPANT PPG	SAND / STAGE	PSI	
PAD	65	16			800	BREAKDOWN 1275
20-40		16	.5-1.5	2,200#	800	START PRESSURE
12-20		16	1.5			END PRESSURE
12-20		16		3,100#	1260	BALL OFF PRESS
Ballsealers 5+10		12				ROCK SALT PRESS
Ballsealers 5	20	12			1700	ISIP 588
12-20		16			1154	5 MIN
12-20		16				10 MIN
12-20		16		4700#	1970	15 MIN
FLUSH	13.9	16				MIN RATE
OVERFLUSH	12		TOTAL SAND	10,000#	2275	MAX RATE
TOTAL	411					DISPLACEMENT

REMARKS: spot 100 gal. - 15% HCl acid on perfs

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OCT 06 2006

Location 2:00PM - 3:30PM

CONSERVATION DIVISION
 WICHITA, KS

20 miles

AUTHORIZATION Jim Morris

TITLE

DATE 8-23-06

Revised

FRACTURING WORK ORDER
CONSOLIDATED OIL WELL SERVICES, INC.

Wed
Day *Aug 23*
Date *8/23*
Month *8* Time *11:00*

Name of Customer 5 Admiral Bay

Contact Person/Number Tim Martin 620-380-1398

Lease Name/Number Markham 7-25, 4-25, 8-25, (Well Data Smith 8-34 (Squirrel))

Casing Size 4 1/2
Tubing/Packer
Depth 850-950'

Perforations: _____ spf _____

Zone(s) _____

Job Procedure: 3 SPOTS - 4 FRACS
2 - Barteville perfed., 1 - Barteville open hole
1 - SQUIRREL

EACH TOTALS Materials FRAC VAN

Hydrochloric Acid: Spot 100 Balloff 300 Bullhead _____
 spotter dump tubing

Acid Chemicals: 1 GPT MaxFlo

Frac Sand: 30 - 20/40 150 - 1500

Ballsealers: Acid _____ Frac Yes only Rock Salt Yes on open hole

Frac Fluid: FRAC TANKS Transports 2 ?

Fluid Loading: 30# gel - 500# Frac Tanks 80 vac.
2% KCL
BIOCIDE
MAXFLO OTE

Other Information: Trans take load out - 400 lbs.

Job Location:

40	25	10
CALIFORNIA		
ARIZONA		

SECTION 25 - 1 mile Section
3 wells (markham)

Order Taken by: Bell

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Entered by _____ OCT 08 2006
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 08756
LOCATION Ottawa, KS
FOREMAN Casey Kennedy

TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
7/12/06	1067	Markham 8-25	25	26	17	AL
CUSTOMER Admiral Bay Resources			TRUCK #	DRIVER	TRUCK #	DRIVER
MAILING ADDRESS 410 N. State St			389	Casey		
CITY Topeka			368	Mat Mad		
STATE KS			237	Rod Bas		
ZIP CODE 66649			489 T103	Geo Tay		

JOB TYPE longstring HOLE SIZE 6 3/4" HOLE DEPTH 916' CASING SIZE & WEIGHT 4 1/2"
 CASING DEPTH 906' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT _____ SLURRY VOL _____ WATER gal/sk _____ CEMENT LEFT in CASING 4 1/2" rubber plug
 DISPLACEMENT 14.16 bbls DISPLACEMENT PSI _____ MIX PSI _____ RATE 46 pm

REMARKS: established circulation, mixed & pumped 200 # Premium Gel followed by 10 bbls fresh water, mixed & pumped 8 bbls tall tale dye, all mixed & pumped 116 sks Thicket cement w/ 5 # Kal Seal and 1/4 # Flo Seal per sk, flushed pump clean, displaced 4 1/2" rubber plug to casing TD w/ 14.16 bbls fresh water, pressured to 600 PSI, released pressure to set that valve, checked plug depth w/ wireline

[Handwritten signature]

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE Cement pump		800.00
5406	70 miles	MILEAGE pump truck		220.50
5109A	5.452 ton	ton mileage		400.72
5501C.10	3 hrs	Transport (cement)		294.00
1126A	110 sks	Thicket cement		1611.50
1118B	200 #	Premium Gel 50 #		28.00
1110A	580 #	Kal Seal		208.80
1107	29 #	Flo Seal		52.20
4404	1	4 1/2" rubber plug		40.00
		sub total		3655.72
		W00# 206888		
		# 206887		
		RECEIVED		
		KANSAS CORPORATION COMMISSION		
		SALES TAX		6132.24
		ESTIMATED TOTAL		3777.96

AUTHORIZATION _____ TITLE CONSERVATION DIVISION DATE _____
 WICHITA, KS



CONSOLIDATED
OIL WELL
SERVICES, INC.
 AN INFINITY COMPANY

REMIT TO
 Consolidated Oil Well Services, Inc.
 Dept. 1228
 Denver, CO 80256

MAIN OFFICE
 P.O. Box 884
 Chanute, KS 66720
 620/431-8210 • 1-800/467-8676
 FAX 620/431-0012

INVOICE

Invoice # 206888

Invoice Date: 07/14/2006 Terms:

Page 1

ADMIRAL BAY RESOURCES
 7060B S. TUCSON WAY
 CENTENNIAL CO 80112
 (303)617-7242

MARKHAM ⁸/₈-25
 25-26-17
 8756
 07/12/06

Part Number	Description	Qty	Unit Price	Total
1126A	THICK SET CEMENT	110.00	14.6500	1611.50
1118B	PREMIUM GEL / BENTONITE	200.00	.1400	28.00
1110A	KOL SEAL (50# BAG)	580.00	.3600	208.80
1107	FLO-SEAL (25#)	29.00	1.8000	52.20
4404	4 1/2" RUBBER PLUG	1.00	40.0000	40.00

Description	Hours	Unit Price	Total
237 TON MILEAGE DELIVERY	1.00	400.72	400.72
368 CEMENT PUMP	1.00	800.00	800.00
368 EQUIPMENT MILEAGE (ONE WAY)	70.00	3.15	220.50
T-103 WATER TRANSPORT (CEMENT)	3.00	98.00	294.00

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 CONSERVATION DIVISION
 WICHITA, KS

Parts:	1940.50	Freight:	.00	Tax:	122.24	AR	3777.96
Labor:	.00	Misc:	.00	Total:	3777.96		
Sublt:	.00	Supplies:	.00	Change:	.00		

Signed _____

Date _____

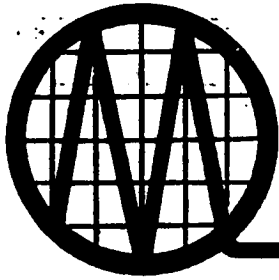
BARTLESVILLE, Ok
 P.O. Box 1453 74005
 918/338-0808

EUREKA, Ks
 820 E. 7th 67045
 620/583-7064

OTTAWA, Ks
 2831 So. Eisenhower Ave. 66067
 785/242-4044

GILLETTE, WY
 300 Enterprise Avenue 82716
 307/686-4914

TRAYEN, Ks
 8655 Dorn Road 66776
 620/838-5269



MIDWEST SURVEYS

LOGGING • PERFORATING • CONSULTING • M.I.T. SERVICES

P.O. Box 68 • Osawatomie, KS 66064

Phone 913-755-2128 • Fax 913-755-6533

Perforation Record

Company: Admiral Bay Resources, Inc.

Lease/Field: Markham Lease

Well: # 8-25

County, State: Allen County, Kansas

Service Order #: 17334

Purchase Order #: N/A

Date: 8/7/2006

Perforated @: 865.0 to 880.0

Type of Jet, Gun
or Charge: 3 3/8" DP 23 Gram Tungsten Expendable Casing Gun

Number of Jets,
Guns or Charges: Thirty Two (32)

Casing Size: 4.5"

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OCT 06 2006

CONSERVATION DIVISION
WICHITA, KS