

FORM MUST BE TYPED

SIDE ONE DEC 9 1999

STATE CORPORATION COMMISSION OF KANSAS  
OIL & GAS CONSERVATION DIVISION  
WELL COMPLETION FORM  
ACO-1 WELL HISTORY  
DESCRIPTION OF WELL AND LEASE

API NO. 15 129-21594 0000

County Morton County, Kansas

NE NE Sec. 21 Twp. 32 Rge. 39 XX <sup>E</sup>

Operator: License # 32154

660 Feet from S (circle one) Line of Section

Name: Sagebrush Operating LLC

660 Feet from E/W (circle one) Line of Section

Address 1888 Sherman St. - Suite 500

Footages Calculated from Nearest Outside Section Corner:  
(NE, SE, NW or SW (circle one))

City/State/Zip Denver, CO 80203

Lease Name Renshaw Well # 21-1

Purchaser: N/A

Field Name (Unnamed)

Operator Contact Person: Bob Johnson

Producing Formation N/A

Phone (303) 866-0011

Elevation: Ground 3229' KB 3241'

Contractor: Name: Duke Drilling Co., Inc.

Total Depth 6320' PBDT 6320'

License: 5929

Amount of Surface Pipe Set and Cemented at 1708 Feet

Wellsite Geologist: Curtis Covey

Multiple Stage Cementing Collar Used? Yes X No

Designate Type of Completion

X New Well        Re-Entry        Workover

If yes, show depth set N/A Feet

       Oil        SWD        S10W        Temp. Abd.

       Gas        ENHR        S10W

X Dry        Other (Core, WSW, Expl., Cathodic, etc)

If Alternate II completion, cement circulated from N/A

If Workover/Re-Entry: old well info as follows: N/A

feet depth to        w/        sx cat.

Operator:       

Chloride content 600 ppm Fluid volume 300 bbls

Well Name:       

De-watering method used Air Evaporation

Comp. Date        Old Total Depth       

Location of fluid disposal if hauled offsite: N/A

       Deepening        Re-perf.        Conv. to Inj/SWD

       Plug Back        PBDT

       Commingled        Docket No.       

       Dual Completion        Docket No.       

       Other (SWD or Inj?) Docket No.       

10-13-99 10-23-99 10-24-99

Spud Date        Date Reached TD        Completion Date       

Operator Name 12-6-99

Lease Name DEC 06 1999

Quarter        Sec.        Twp.        S Rge.        E/W

County        Docket No.       

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 200 Colorado Derby Building, 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 on 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 Robert D. Johns

Title Executive Vice President Date 12/1/99

Subscribed and sworn to before me this 1st day of December 19 99.

Notary Public Charles Rusk Ray RELEASE

Date Commission Expires 3-16-2003

DEC 03 2000

K.C.C. OFFICE USE ONLY		
<input checked="" type="checkbox"/>	Letter of Confidentiality Attached	
<input checked="" type="checkbox"/>	Wireline Log Received	
<input checked="" type="checkbox"/>	Geologist Report Received	
Distribution		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
KCC	SWD/Rep	NGPA
KCS	Plug	Other
(Specify)		

SIDE TWO

Operator Name Sagebrush Operating, LLC

Lease Name Renshaw

Well # 21-1

Sec. 21 Twp. 32 Rgs. 39  East  West

County Morton County, Kansas

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all drill stem 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 during test. Attach extra sheet if more space is needed. Attach copy of log.

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:

Sonic Log

Microresistivity Log

Dual Induction Log

Dual Compensated Porosity Log

Log Formation (Top), Depth and Datum  Sample

Name	Top	Datum
Heebner	3992	-751
Lansing	4100	-859
Marmaton	4774	-1533
Cherokee	4974	-1733
Morrow SH	5560	-2319
Morrow SD (S-3)	5943	-2702
Morrow SD (S-4)	5990	-2749
St. Louis	6222	-2981

CASING RECORD

New  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#	1708'	60/40 Poz	700	6% gel, 3% CC

ADDITIONAL CEMENTING/SQUEEZE RECORD

Purpose:	Depth		Type of Cement	#Sacks Used	Type and Percent Additives
	Top	Bottom			
<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		Acid, Fracture, Shot, Cement Squeeze Record	
	Specify Footage of Each Interval Perforated		(Amount and Kind of Material Used)	Depth

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

Date of First, Resumed Production, SWD or Inj.	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 ACD-18.)

METHOD OF COMPLETION

Open Hole  Perf.  Dually Comp.  Commingled  
 Other (Specify) Dry & Abandoned

Production Interval



## GENERAL TERMS AND CONDITIONS

**DEFINITIONS:** In these terms and conditions, "Allied" shall mean Allied Cementing Co., Inc., and "Customer" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "merchandise" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

—**TERMS:** Unless satisfactory credit has been established, "CUSTOMER" must tender full cash payment to "ALLIED" before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, "CUSTOMER" agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwithstanding the foregoing, in no event shall this Contract provide for interest exceeding the maximum rate of interest that "CUSTOMER" may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate, any amounts previously paid as excess interest shall be deducted from the amounts owing from the "CUSTOMER" or at the option of "ALLIED," refunded directly to "CUSTOMER." For purposes of this paragraph, ALLIED and CUSTOMER agree that KANSAS law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.

—**ATTORNEY FEES:** In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the terms of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limited to, a reasonable sum as and for attorney's fees.

—**PRICES AND TAXES:** All merchandise listed in "ALLIED'S" current price schedule are F.O.B. ALLIED'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by ALLIED shall be added to the quoted prices charged to CUSTOMER.

—**TOWING CHARGES:** ALLIED will make a reasonable attempt to get to and from each job site using its own equipment. Should ALLIED be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ a tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by ALLIED, will be charged to and paid by CUSTOMER.

—**PREPARATION CHARGES:** If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay ALLIED for the expenses incurred by ALLIED as a result of the cancellation.

—**DEADHAUL, CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charge as set forth in ALLIED'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.

—**SERVICE CONDITIONS AND LIABILITIES:** 1. ALLIED carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond ALLIED'S control, ALLIED shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. Customer shall be responsible for and indemnify, defend, and hold harmless ALLIED, its officers, agents and employees, from and against any and all claims or suits for:

(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with ALLIED'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of ALLIED or its employees.

2. With respect to any of ALLIED'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to ALLIED at the landing, CUSTOMER shall either recover the lost item without cost to ALLIED or reimburse ALLIED the current replacement cost of the item unless the loss or damage results from the sole negligence of ALLIED or its employees.

3. ALLIED does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

**WARRANTIES:** 1. ALLIED warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. ALLIED'S obligation under this warranty is expressly limited to repair, replacement, or allowance for credit, at its option, for any merchandise which is determined by ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and ALLIED shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.

2. More specifically:

(A) Nothing in this contract shall be construed as a warranty by ALLIED of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.

(B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.

(C) Work done by ALLIED shall be under the direct supervision and control of the CUSTOMER or his agent and ALLIED will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

# ALLIED CEMENTING CO., INC.

1630

Federal Tax I.D.# 48-0727860

REMIT TO P.O. BOX 31  
RUSSELL, KANSAS 67665

DEC 9 1999 SERVICE POINT:

CONFIDENTIAL

Oakley

DATE <u>10-24-99</u>	SEC. <u>21</u>	TWP. <u>32<sup>s</sup></u>	RANGE <u>39<sup>w</sup></u>	CALLED OUT	ON LOCATION <u>6:30 PM</u>	JOB START <u>7:15 PM</u>	JOB FINISH <u>10:30 PM</u>
LEASE <u>Kenshaw</u>	WELL # <u>21-1</u>	LOCATION <u>Rich Field 12E-14S-44E</u>		COUNTY <u>Marton</u>	STATE <u>Kan</u>		
OLD OR NEW (Circle one)							

CONTRACTOR Duke Dels #6

TYPE OF JOB PTA

HOLE SIZE 7 7/8 T.D. 6320'

CASING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

DRILL PIPE 4 1/2 XH DEPTH 2850'

TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_

PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_

MEAS. LINE \_\_\_\_\_ SHOE JOINT \_\_\_\_\_

CEMENT LEFT IN CSG. \_\_\_\_\_

PERFS. \_\_\_\_\_

DISPLACEMENT \_\_\_\_\_

OWNER Same

CEMENT AMOUNT ORDERED 160 SKS 60/40 per 6/661

COMMON	<u>96 SKS</u>	@	<u>752</u>	<u>724<sup>80</sup></u>
POZMIX	<u>64 SKS</u>	@	<u>325</u>	<u>208<sup>00</sup></u>
GEL	<u>8 SKS</u>	@	<u>950</u>	<u>76<sup>00</sup></u>
CHLORIDE		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>160 SKS</u>	@	<u>103</u>	<u>168<sup>00</sup></u>
MILEAGE	<u>4E 1 per 1 SK/mile</u>			<u>128<sup>00</sup></u>

EQUIPMENT

PUMP TRUCK # 102 CEMENTER Walt HELPER

BULK TRUCK # 240 DRIVER Jim W.

BULK TRUCK # \_\_\_\_\_ DRIVER \_\_\_\_\_

RECEIVED KANSAS CORPORATION COMMISSION

TOTAL 1,304<sup>80</sup>

DEC 06 1999

REMARKS:

SERVICE

- 50 SKS @ 2850'
- 50 SKS @ 1710'
- 25 SKS @ 660'
- 10 SKS @ 40'
- 10 SKS in M.H.
- 15 SKS in R.H.

DEPTH OF JOB	<u>2850'</u>		
PUMP TRUCK CHARGE			<u>470<sup>00</sup></u>
EXTRA FOOTAGE		@	
MILEAGE <u>20 miles</u>		@	<u>285</u>
PLUG <del>878</del>		@	
		@	
		@	

TOTAL 527<sup>00</sup>

CHARGE TO: Sagebrush Operating

STREET \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

FLOAT EQUIPMENT

RELEASED @ \_\_\_\_\_

DEC 03 2000 @ \_\_\_\_\_

FROM CONFIDENTIAL @ \_\_\_\_\_

TOTAL \_\_\_\_\_

To Allied Cementing Co., Inc.  
You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

TAX \_\_\_\_\_

TOTAL CHARGE \_\_\_\_\_

DISCOUNT \_\_\_\_\_ IF PAID IN 30 DAYS

SIGNATURE Lieb Schollenbarger

Rick Schollenbarger  
PRINTED NAME

## GENERAL TERMS AND CONDITIONS

**DEFINITIONS:** In these terms and conditions, "Allied" shall mean Allied Cementing Co., Inc., and "Customer" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "merchandise" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

—**TERMS:** Unless satisfactory credit has been established, "CUSTOMER" must tender full cash payment to "ALLIED" before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, "CUSTOMER" agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwithstanding the foregoing, in no event shall this Contract provide for interest exceeding the maximum rate of interest that "CUSTOMER" may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate, any amounts previously paid as excess interest shall be deducted from the amounts owing from the "CUSTOMER" or at the option of "ALLIED," refunded directly to "CUSTOMER." For purposes of this paragraph, ALLIED and CUSTOMER agree that KANSAS law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.

—**ATTORNEY FEES:** In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the terms of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limited to, a reasonable sum as and for attorney's fees.

—**PRICES AND TAXES:** All merchandise listed in "ALLIED'S" current price schedule are F.O.B. ALLIED'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by ALLIED shall be added to the quoted prices charged to CUSTOMER.

—**TOWING CHARGES:** ALLIED will make a reasonable attempt to get to and from each job site using its own equipment. Should ALLIED be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ a tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by ALLIED, will be charged to and paid by CUSTOMER.

—**PREPARATION CHARGES:** If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay ALLIED for the expenses incurred by ALLIED as a result of the cancellation.

—**DEADHAUL, CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charge as set forth in ALLIED'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.

—**SERVICE CONDITIONS AND LIABILITIES:** 1. ALLIED carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond ALLIED'S control, ALLIED shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. Customer shall be responsible for and indemnify, defend, and hold harmless ALLIED, its officers, agents and employees, from and against any and all claims or suits for:

(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with ALLIED'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of ALLIED or its employees.

2. With respect to any of ALLIED'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to ALLIED at the landing, CUSTOMER shall either recover the lost item without cost to ALLIED or reimburse ALLIED the current replacement cost of the item unless the loss or damage results from the sole negligence of ALLIED or its employees.

3. ALLIED does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

**WARRANTIES:** 1. ALLIED warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. ALLIED'S obligation under this warranty is expressly limited to repair, replacement, or allowance for credit, at its option, for any merchandise which is determined by ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and ALLIED shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.

2. More specifically:

(A) Nothing in this contract shall be construed as a warranty by ALLIED of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.

(B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the wilful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.

(C) Work done by ALLIED shall be under the direct supervision and control of the CUSTOMER or his agent and ALLIED will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.