

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

*Read
11-12-98*

Operator: License # 4894

Name: Horseshoe Operating, Inc.

Address 500 W. Texas, Suite 1190

City/State/Zip Midland, Tx 79701

Purchaser: KN Energy

Operator Contact Person: S. L. Burns

Phone (915) 683-1448

Contractor: Name: Murfin Drilling

License: _____

Wellsite Geologist: _____

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/Reentry: Old Well Info as follows:

Operator: _____

Well Name: _____

Comp. Date _____ Old Total Depth _____

Deepening Re-perf. Conv. to Inj/SWD

Plug Back PBSD

Commingled Docket No. _____

Dual Completion Docket No. _____

Other (SWD or Inj?) Docket No. _____

8-10-98 8-12-98 8-26-98
 Spud Date Date Reached TD Completion Date

API No. 15-075-206710000

County Hamilton

SW/4-NE-NE- Sec. 27 Twp. 24 Rge. 41 X W

1250 Feet from S N (circle one) Line of Section

1250 Feet from E/W (circle one) Line of Section

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

Lease Name Tate Well # 1

Field Name Bradshaw

Producing Formation Winfield

Elevation: Ground 2395 KB 3293

Total Depth 2395 PBSD _____

Amount of Surface Pipe Set and Cemented at (6) jts 247 Feet

Multiple Stage Cementing Collar Used? _____ Yes X No

If yes, show depth set _____ Feet

If Alternate II completion, cement circulated from 2394

feet depth to surface w/ 500 sx cmt.

Drilling Fluid Management Plan Att. 2, 11-30-98 v.c.
(Data must be collected from the Reserve Pit)

Chloride content _____ ppm Fluid volume _____ bbls

Dewatering method used _____

Location of fluid disposal if hauled offsite: _____

Operator Name _____

Lease Name _____ License No. _____

Quarter _____ Sec. _____ Twp. _____ S Rng. _____ E/W

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 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 Shipp & Burns

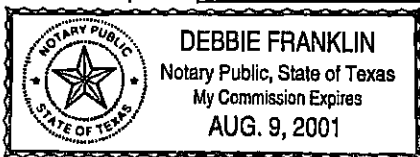
Title Vice-President Date 11-9-98

Subscribed and sworn to before me this 9 day of November, 19 98.

Notary Public Debbie Franklin

Date Commission Expires 8-9-2001

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



SIDE TWO

Operator Name Horseshoe Operating, Inc. Lease Name Tate Well # 1

Sec. 27 Twp. 24 Rge. 41 East West County Hamilton

ORIGINAL

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 (Attach Additional Sheets.)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Log Formation (Top), Depth and Datums	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input type="checkbox"/> Yes <input type="checkbox"/> No	Name	Top Datum
Cores Taken	<input type="checkbox"/> Yes <input type="checkbox"/> No	Base Stone Corral	1823 +1470
Electric Log Run (Submit Copy.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Top Winfield	2328 +965
List All E.Logs Run: Compensated Density Neutron Cement Bond Log		Top Porosity	2338 +955
		Bottom Porosity	2348 +955

RECEIVED
 ...SAS CORP
 12 11 59

CASING RECORD <input type="checkbox"/> New <input checked="" 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	232	c	175	60/40 2% gel 3%cc
Production	7-7/8	4-1/2	10.5	2394	c	500	8%gek 1/4#floseal

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
1	2373' - 79'; 2383' - 86'	1000 gal 7-1/2% HCL	
		8000# 20/40 sand	
		4000# 12/20 sand	

TUBING RECORD	Size 2-3/8	Set At 2390	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or Inj.	Producing Method <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 480	Water Bbls. 5	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: _____

ALLIED CEMENTING CO., INC.

W.F. 3201

Federal Tax I.D.# 48-0727860

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

ORIGINAL

SERVICE POINT:

Oakley

DATE 8-12-98	SEC. 27	TWP. 24 ^S	RANGE 41 ^W	CALLED OUT	ON LOCATION 8:30 PM	JOB START	JOB FINISH 11:40 PM
LEASE Tatz	WELL # 1	LOCATION Syracuse, 4S-4W-3NE		COUNTY Hamilton	STATE Kan		
OLD OR NEW (Circle one)							

CONTRACTOR Mur Fin Dels Co #24
 TYPE OF JOB Production string
 HOLE SIZE 7 7/8 T.D. 2395'
 CASING SIZE 4 1/2 DEPTH 2394'
 TUBING SIZE DEPTH
 DRILL PIPE DEPTH
 TOOL DEPTH
 PRES. MAX MINIMUM
 MEAS. LINE SHOE JOINT
 CEMENT LEFT IN CSG. none
 PERFS.
 DISPLACEMENT 38 BBL

OWNER Same
 CEMENT
 AMOUNT ORDERED 125 sks "C", 10% Salt
325 sks "C", 8% Cal, 1/4" Flo Seal

EQUIPMENT
 PUMP TRUCK CEMENTER Walt
 # 300 HELPER Wayne
 BULK TRUCK
 # 280 DRIVER Louise
 BULK TRUCK
 # 315 DRIVER Andrew

COMMON	@		
POZMIX	@		
GEL	@	<u>28 sks</u>	<u>9.50</u> <u>266.00</u>
CHLORIDE	@		
<u>Class "C"</u>	@	<u>500 sks</u>	<u>9.35</u> <u>4,675.00</u>
<u>Salt</u>	@	<u>10 sks</u>	<u>7.00</u> <u>70.00</u>
<u>Flo-Seal</u>	@	<u>94#</u>	<u>1.15</u> <u>108.10</u>
	@		
	@		
HANDLING	@	<u>500 sks</u>	<u>1.20</u> <u>600.00</u>
MILEAGE	@	<u>4¢ per sk/mile</u>	<u>1,060.00</u>
			TOTAL <u>6,779.10</u>

REMARKS:

SERVICE

Mixed 325 sks C-lite as lead
tail in w/ 125 sks C-10% salt
released plug, displaced 38 3/4 BBL
Water, Landed Plug 2100 psi
Floct Held
Cement did. Gng ✓
Hub for

DEPTH OF JOB		<u>2394'</u>	
PUMP TRUCK CHARGE			<u>1,080.00</u>
EXTRA FOOTAGE	@		
MILEAGE	@	<u>53-miles</u>	<u>2.85</u> <u>151.05</u>
PLUG	@	<u>None</u>	
	@		
	@		
			TOTAL <u>1,231.05</u>

CHARGE TO: Horseshoe Operating
 STREET 500 W Texas #1190
 CITY Midland STATE Texas ZIP 79701

FLOAT EQUIPMENT

	@		
	@		
	@		
	@		
	@		
			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 Skippis & Burns

Skippis & Burns
 PRINTED NAME

ALLIED CEMENTING CO., INC. 7752

Federal Tax I.D.# 48-0727860

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

SERVICE POINT: DARLEY

ORIGINAL

DATE <u>8-10-98</u>	SEC <u>27</u>	TWP. <u>24S</u>	RANGE <u>41W</u>	CALLED OUT	ON LOCATION <u>5:30 AM</u>	JOB START <u>9:15 PM</u>	JOB FINISH <u>9:45 PM</u>
LEASE <u>TATE</u>	WELL # <u>1</u>	LOCATION <u>SYRACUSE 4 1/2 S-4W-3 NE</u>			COUNTY <u>HAMILTON</u>	STATE <u>KS</u>	
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR MURFIN DRILL REG # 24

TYPE OF JOB SURFACE

HOLE SIZE 12 1/4" T.D. 232'

CASING SIZE 8 5/8" DEPTH 232'

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. 10'

PERFS. _____

DISPLACEMENT 14 1/2 BBL

OWNER HORSESHOE OPERATING

CEMENT AMOUNT ORDERED 175 SKS 60/40 102.5955

286 CL

COMMON	<u>105 SKS</u>	@	<u>7.55</u>	<u>792.75</u>
POZMIX	<u>70 SKS</u>	@	<u>3.25</u>	<u>227.50</u>
GEL	<u>3 SKS</u>	@	<u>9.50</u>	<u>28.50</u>
CHLORIDE	<u>6 SKS</u>	@	<u>28.00</u>	<u>168.00</u>
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>175 SKS</u>	@		
MILEAGE	<u>ONE PER MILE</u>			<u>371.00</u>

EQUIPMENT

PUMP TRUCK CEMENTER TERRY

300 HELPER WAYNE

BULK TRUCK

212 DRIVER LONNIE

BULK TRUCK

_____ DRIVER _____

TOTAL _____

REMARKS: _____

CEMENT DID CIRC.

THANK YOU

SERVICE

DEPTH OF JOB 232'

PUMP TRUCK CHARGE _____

EXTRA FOOTAGE @ _____

MILEAGE 53 MI @ 2.85 151.05

PLUG 8 5/8 SURFACE @ 4.50 45.00

@ _____

@ _____

TOTAL _____

CHARGE TO: MURFIN DRILL, CO.

STREET _____

CITY _____ STATE _____ ZIP _____

FLOAT EQUIPMENT

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

TOTAL _____

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TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE Louis McKenna

LOUIS MCKENNA
PRINTED NAME

RECEIVED
 AUG 11 1998
 200
 ALLIED CEMENTING CO.