

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

Operator: License # 32154

Name: Sagebrush Operating LLC

Address 1888 Sherman St. - Suite 500

City/State/Zip Denver Colorado 80203

Purchaser: Cooperative Refining, LLC

Operator Contact Person: Bob Johnson

Phone (303) 866-0011

Contractor: Name: Duke Drilling Co., Inc.

License: 5929

Wellsite Geologist: Brad Rine

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:

Operator: 10-13-99

Well Name: OCT 13 1999

Comp. Date 06-15-99 Old Total Depth 06-25-99 06-27-99

Deepening Re-perf. Conv. to Inj/SWD
 Plug Back PBTD
 Commingled Docket No. _____
 Dual Completion Docket No. _____
 Other (SWD or Inj?) Docket No. _____

Spud Date 06-15-99 Date Reached TD 06-25-99 Completion Date 06-27-99

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RECEIVED

API NO. 15- 151-22174 0000

County Pratt County, Kansas

SE - NE - NW - 11 Sec. 26 Twp. 13 Rge. X W

1100 Feet from S (circle one) Line of Section

2100 Feet from E (circle one) Line of Section

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

Lease Name Shupe Well # 11-3

Field Name Rose Valley South

Producing Formation Lansing H

Elevation: Ground 1908' KB 1916'

Total Depth 4430' PBTD 4400'

Amount of Surface Pipe Set and Cemented at 233 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 Alt. 1, 10-20-99 v.c.
(Data must be collected from the Reserve Pit)

Chloride content 7000 ppm Fluid volume 300 bbls

Dewatering method used Air Evaporation

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 confidentially 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 CEM Date 8/27/99

Subscribed and sworn to before me this 27 day of August, 19 99.

Notary Public Charles Rush Ray

Date Commission Expires 3-16-03

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FROM CONFIDENTIAL

K.C.C. OFFICE USE ONLY

F Letter of Confidentiality Attached
 C Wireline Log Received
 C Geologist Report Received

Distribution

KCC SWD/Rep NGPA
 KGS Plug Other
 (Specify)

Operator Name Sagebrush Operating LLC Lease Name Shupe Well # 11-3

Sec. 11 Twp. 26 Rge. 13
 East
 West

County Pratt 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: HRI
 SDI/DSN
 Microlog
 LSS

Name	Top	Datum	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
			Wabaunsee	2729	-813
Heebner SH.	3525	-1609			
Lansing	3701	-1785			
Mississippian	4106	-2190			
Viola	4188	-2272			
Simpson SH.	4238	-2322			
Arbuckle	4300	-2384			

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	14-3/4"	10-3/4"	32#	233'	60/40 Poz	200	3%cc 2%gel
Production	7-7/8"	5-1/2"	15.5#	4428'	ASC	200	

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
4	3860'-3864'	2000 gal. 15% MCA	RELEASED
			MAR 28 2001

TUBING RECORD	Size	Set At	Packer At	Liner Run	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	23/8"	3956'			

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Date of First, Resumed Production, SWD or Inj.	Producing Method
7/24/99	<input checked="" 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
	80	22	5	550	30°

Disposition of Gas: **METHOD OF COMPLETION** Vented Sold Used on Lease (If vented, submit ACO-18.)

Production Interval: Open Hole Perf. Dually Comp. Commingled Other (Specify)

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ALLIED CEMENTING CO., INC.

2024

ORIGINAL

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

CONFIDENTIAL

SERVICE POINT:
med hodge, ks

DATE 6-15-99	SEC. 11	TWP. 26S	RANGE 13W	CALLED OUT 4:30 P.M.	ON LOCATION 6:00 P.M.	JOB START 8:45 P.M.	JOB FINISH 10:00 P.M.
LEASE Shope	WELL# 11-3	LOCATION Pratt/Stafford Co. line			COUNTY PRATT	STATE KS	
OLD OR NEW (Circle one)		ON 2/15-1/25-5/5					

CONTRACTOR Duke Drilling #2
 TYPE OF JOB SURFACE
 HOLE SIZE 14 3/4 T.D. 233
 CASING SIZE 10 3/4 X 20 7/8 DEPTH
 TUBING SIZE DEPTH
 DRILL PIPE DEPTH
 TOOL DEPTH
 PRES. MAX 200 MINIMUM 100
 MEAS. LINE SHOE JOINT
 CEMENT LEFT IN CSG. 15' By Request
 PERFS.
 DISPLACEMENT 22 Fresh H₂O

OWNER Sagebrush Oper. LLC
 CEMENT
 AMOUNT ORDERED 200SXS 60/140
 3%CC + 2%GEL

EQUIPMENT
 PUMP TRUCK # 343 CEMENTER Larry Dredling
 HELPER Justin Hart
 BULK TRUCK # 301 DRIVER Mark Brunhardt
 BULK TRUCK # DRIVER

COMMON @
 POZMIX @
 GEL @
 CHLORIDE KGC @
 ULI 1999 @
 CONFIDENTIAL @
 HANDLING @
 MILEAGE RECEIVED
 KANSAS CORPORATION COMMISSION

REMARKS:

Next Pump 200SXS 60/140 3%CC
 2%GEL. Release Plug Pump + Displace
 22 Bbls. Shot In Cement Lin

OCT 15 1999
 CONSERVATION DIVISION SERVICE
 WICHITA, KS
 DEPTH OF JOB 232
 PUMP TRUCK CHARGE
 EXTRA FOOTAGE @
 MILEAGE @
 PLUG WOOD COP @

CHARGE TO: Sagebrush Oper LLC
 STREET
 CITY STATE ZIP

RELEASED
 MAR 28 2001

FLOAT EQUIPMENT

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.

FROM CONFIDENTIAL @
 @
 @
 @
 @

SIGNATURE X *John J. Amberster*

TAX
 TOTAL CHARGE
 DISCOUNT
 IF PAID IN 30 DAYS
 X John J Amberster
 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 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. ORIGINAL ¹⁹²⁹

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

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SERVICE POINT:
med. lodge, ks.

DATE <u>6-26-99</u>	SEC. <u>11</u>	TWP. <u>26S</u>	RANGE <u>13W</u>	CALLED OUT <u>9:30A.m.</u>	ON LOCATION <u>1:00P.m.</u>	JOB START <u>4:30P.m.</u>	JOB FINISH <u>6:30P.m.</u>
LEASE <u>Shupe</u>		WELL # <u>11-3</u>	LOCATION <u>2814 Byers RD., 2n-1/2E</u>		COUNTY <u>Pratt</u>	STATE <u>KS.</u>	
OLD OR <input checked="" type="radio"/> NEW (Circle one)			<u>1/4S - E/4</u>				

CONTRACTOR Duke Drlg. #2
 TYPE OF JOB Prod. Csg.
 HOLE SIZE 7 7/8 T.D. 4430'
 CASING SIZE 5 1/2 x 15.5 DEPTH 4429'
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX 1100 MINIMUM 200
 MEAS. LINE _____ SHOE JOINT 43.16
 CEMENT LEFT IN CSG. _____
 PERFS. _____ KCC
 DISPLACEMENT Fresh H₂O 607 11/19/99

OWNER Sagebrush Operating
 CEMENT
 AMOUNT ORDERED 500gals. Flo-stop
230SXS. Asc. 5# Kol-Seal +
.5% FL-10

EQUIPMENT
 PUMP TRUCK CEMENTER Larry Dreiling
 # 343 HELPER Justin Hart
 BULK TRUCK
 # 214-239 DRIVER MARK Brungardt
 BULK TRUCK
 # 328 DRIVER Kevin Brungardt

COMMON	_____	@	_____
POZMIX	_____	@	_____
GEL	_____	@	_____
CHLORIDE	<u>5</u>	@	<u>28.00</u>
FL-STOP	<u>500 GALS.</u>	@	<u>3.65</u>
CLAPP	<u>2 GALS.</u>	@	<u>22.90</u>
KOL-SEAL	<u>1150#</u>	@	<u>.38</u>
FL-10	<u>108#</u>	@	<u>7.25</u>
ASC	<u>230</u>	@	<u>8.20</u>
HANDLING	<u>230</u>	@	<u>1.05</u>
MILEAGE	<u>230 x 11</u>	@	<u>.04</u>

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KANSAS CORPORATION COMMISSION

TOTAL \$5459.50

OCT 13 1999

REMARKS:

Pipe on Bottom - Break Circ. + Recip
Pipe mix + Pump Flo-stop Flush.
Plug mause hole + Rathole + water well
Cement 200SXS. Asc. + 5# Kol-Seal +
.5% FL-10. Release Flo. Displace
103 1/2 Bds. Bump + Hatch Plug.
Float Held

SERVICE

CONSERVATION DIVISION WICHITA, KS			
DEPTH OF JOB	<u>4429'</u>		
PUMP TRUCK CHARGE			<u>1080.00</u>
EXTRA FOOTAGE	_____	@	_____
MILEAGE	<u>11</u>	@	<u>2.85</u>
PLUG	<u>1 A-Tch Down</u>	@	<u>318.00</u>

RELEASED

MAR 28 2001

TOTAL \$1429.35

CHARGE TO: Sagebrush Operating
 STREET 1888 SHERMAN, ST. 500
 CITY DENVER STATE COLO. ZIP 80203

FROM CONFIDENTIAL!

FLOAT EQUIPMENT

1- AFU Float Shoe	@	<u>215.00</u>	<u>215.00</u>
16- Recip. Scratchers	@	<u>27.50</u>	<u>440.00</u>
10- Centralizers	@	<u>25.00</u>	<u>250.00</u>

TOTAL \$905.00

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 \$ 7793.85

DISCOUNT 1558.77 IF PAID IN 30 DAYS
 NET # 6235.08

SIGNATURE X [Signature]

X David Pauly
 PRINTED NAME

OCT 13 1999

ACO-18
1-89

AFFIDAVIT FOR VENTING OR FLARING GAS PRODUCED IN CONJUNCTION WITH OIL

CONSERVATION DIVISION
WICHITA, KS

CONFIDENTIAL

OPERATOR SAGEBRUSH OPERATING LLC
ADDRESS 1888 Sherman Street, Ste. 500
Denver, CO 80203

OPERATOR LICENSE NO. 32154
OPERATOR PHONE NO. 303-866-0011

KCC

OCT 13 1999

LEASE NAME Shupe

WELL NO. #11-3

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QUARTER NW/4 SEC. 11 TWP. 26 So. RGE. 13 W. COUNTY Pratt

Complete the affidavit by providing as much data as possible. Contact appropriate KCC District Office to arrange for a state supervised test. In process, contacted Steve Pifer at the KCC District Office, 316-225-8888, on 10/22/99 to arrange test.

1. What is the BTU value of the gas to be vented? 1267

2. What is the estimated volume of gas to be vented? 22 Mcfd

3. Date of state supervised test and results thereof. _____

4. What is the name of and distance to the nearest pipeline?

First closest Kansas Gas Supply, about a mile away

Second closest None

5. Names of Pipelines contacted. Give names and positions of employees with whom you corresponded. (Send copies of any correspondence you had in regard to a pipeline connection.)

September 13, 1999 with Michael R. Marlow, Gas Supply Manager with Kansas Gas

Supply. Correspondence is attached.

6. How much gas is estimated to be in place? Unknown

7. What would the price of the gas be if sold to the pipeline? Unknown

8. Show or include a feasibility study comparing the possible value of the gas in relation to the cost of getting it to market.

N/A

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ORIGINAL

9. Describe other means you tried or considered and the results.

The surface owner has requested using the gas for running his irrigation system.
Currently debating the liability problems of letting him do so.

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KCC

OCT 13 1999

OCT 12 1999

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CONSERVATION DIVISION
WICHITA, KS

- 10. "The operator has made a diligent effort to obtain a market for the gas and the volume of natural gas produced from this well will not economically justify a pipeline connection."
- 11. To the best of my current information, knowledge and personal belief, this request for the flaring of gas for the referenced well is proper.
- 12. The Commission shall have the right to ask for any additional information regarding the flaring of gas in this matter.

SAGEBRUSH OPERATING LLC (Operator)

By Charles Rush Ray
Title Administrator

SUBSCRIBED AND SWORN TO ME THIS 12 day of October, 1999

[Signature]
Notary Public

My Commission Expires:

5-15-2001

KATHRYN REYNOLDS
NOTARY PUBLIC
STATE OF COLORADO

My Commission Expires 5-15-2001

SEND TO: STATE OF KANSAS
KANSAS CORPORATION COMMISSION
CONSERVATION DIVISION
130 SOUTH MARKET - ROOM 2078
WICHITA, KANSAS 67202

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Kansas Gas Supply
P. O. Box 8548
30317 North U.S. Highway 281
Pratt, Kansas 67124
Phone 316.672.9425
Fax 316.672.6269
www.dynegy.com

OCT 13 1999

CONSERVATION DIVISION
WICHITA, KS

CONFIDENTIAL

ORIGINAL
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SEP 20 1999
BY:

September 13, 1999

DYNEGY

Sagebrush Operating, L.L.C.
c/o Pauly & Company
100 S. Main, Ste 415
Wichita, KS 67202

KCC

OCT 12 1999

CONFIDENTIAL

RE: Gas Purchase Contract
#11-3 Shupe, NW/4 Section 11-T26S-R13W, Pratt County, KS

Dear Mr. Pauley:

Attached per your request is the Gas Purchase Contract between Kansas Gas Supply Corporation (KGS) and Sagebrush Operating, L.L.C. (SOC) covering the subject lease. The Contract is offered contingent to KGS's procurement of an easement to install a measurement station at a site in the NW/4 of Section 10-26S-13W for deliveries from the #11-3 Shupe, and per Article III, "Delivery of Gas," paragraph "B," the cooperation of the operator of a third party pipeline segment which SOC would deliver into. SOC would be responsible to lay from the #11-3 Shupe wellhead in Section 11-26S-13W to a point on said third party operated pipeline designated by KGS and to work out any operational demands of the third party operator for use of the pipeline.

The price paid Seller would be equal to the first monthly Index Price as listed in the publication "Inside FERC's Gas Market Report" price for spot deliveries into Williams Gas Pipelines Central, Inc. (Texas, Oklahoma, Kansas), less \$0.35 per Mcf. All delivered volumes are reduced by the fuel, loss, and unaccounted-for factor as calculated from actual operations experience, currently 5.518% on a thermal (MMBtu) basis.

Please review the Contract and contact the undersigned with any questions, or if none, kindly execute the duplicate originals and return both at your earliest convenience. Right of Way procurement and our meter station installation would proceed upon our receipt of the duplicate originals executed on behalf of SOC. Upon final management approval and execution on behalf of KGS a fully executed original would be returned you, and a copy is enclosed for your file in the interim period.

Sincerely,



Michael R. Marlow
Gas Supply Manager

cc: M.G. Gray

RELEASED
MAR 28 2001
FROM CONFIDENTIAL