

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

Operator: License # 4894

Name: Horseshoe Operating, Inc.

Address: 500 W. Texas, Suite 1190

City/State/Zip: Midland, Tx 79701

Purchaser: Duke

Operator Contact Person: S. L. Burns

Phone (915) 683-1448

Contractor: Name: Chayenne Drilling Co.

License: 5382

Wellsite Geologist:

Designate Type of Completion

- New Well
- Re-Entry
- Workover
- Oil
- SUD
- SIOW
- 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/SUD
- Plug Back
- PBTB
- Commingled
- Docket No.
- Dual Completion
- Docket No.
- Other (SUD or Inj?)
- Docket No.

09/26/00 09/29/00 10/14/00

Spud Date Date Reached TD Completion Date

API NO. 15-075-207330000

County: Hamilton

S/2-NE Sec. 10 Twp. 22 Rge. 40 X-W

1780 Feet from S (circle one) Line of Section

1320 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: Lois Well #: 1

Field Name: Bradshaw

Producing Formation: Winfield

Elevation: Ground 3541 KB 3551

Total Depth: 2783 PBTB

Amount of Surface Pipe Set and Cemented at 5-jts @ 227 Feet

Multiple Stage Cementing Collar Used? Yes X No

If yes, show depth set _____ Feet

If Alternate II completion, cement circulated from 2793 feet depth to surface w/ 725 sx cnt.

Drilling Fluid Management Plan **ALT 2 9/21 05/30/03**
(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: *[Signature]*

Title: Treasurer Date: 1-24-01

Subscribed and sworn to before me this 24 day of January, 2001.

Notary Public: *Debbie Franklin*

Date Commission Expires: 8-9-2001

K.C.C. OFFICE USE ONLY

F Letter of Confidentiality Attached

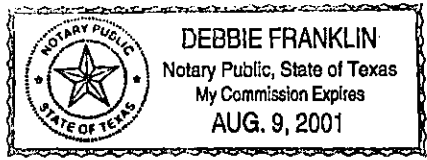
C Wireline Log Received

C Geologist Report Received

Distribution

KCC SUD/Rep NGPA

KGS Plug Other (Specify)



Form ACO-1 (7-91)
RECEIVED
KANSAS CORPORATION COMMISSION
JAN 29 2001
1 29 01
CONSERVATION DIVISION

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

Sec. 10 Twp. 22 Rge. 40
 East
 West

County Hamilton

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:

Compensated Neutron Density Log

DUAL-SPACED CEMENT BOND

Log Formation (Top), Depth and Datums Sample

Name	Top	Datum
Base Stone Corral	2301'	+1250'
Top Winfield	2736'	+ 760'
Top of Porosity	2744'	+ 807'
Base of Porosity	2748'	+ 803'

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	227	C	175	3% cc 2% gel
Production	7-7/8	4-1/2	10.5	2793	C	725	10% salt

ADDITIONAL CEMENTING/SQUEEZE RECORD

Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
Perforate				
Protect Casing				
Plug Back TD				
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	2747-55'	1000 gal 7-1/2% HCL	
		8000# 12/20 sand	
		4000# 20/40 sand 25% gel	

TUBING RECORD Size 2-3/8 Set At 2669' Packer At _____ Liner Run Yes No

Date of First, Resumed Production, SUD or Inj. Still evaluating well APPROX. 2-1-01 Producing Method Flowing Pumping Gas Lift Other(Explain)

Estimated Production Per 24 Hours Oil _____ Bbls. Gas 135 Mcf Water 110 Bbls. Gas-Oil Ratio _____ Gravity _____

Disposition of Gas:

METHOD OF COMPLETION

Production Interval 2747'-2755'

Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled Other (Specify) Well P & A _____

RECEIVED
 KANSAS CORPORATION COMPLETION

JAN 29 2001

CONSERVATION DIVISION

ALLIED CEMENTING CO., INC.

Federal Tax I.D.# 48-0727860

WF
5382
ORIGINAL

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

SERVICE POINT: Orlando

15-075-20733-0000

DATE <u>1/2/68</u>	SEC. <u>10</u>	TWP. <u>5</u>	RANGE <u>12E</u>	CALLED OUT	ON LOCATION <u>2-10-11'</u>	JOB START <u>12:30 PM</u>	JOB FINISH <u>1:30 PM</u>
LEASE <u>603</u>	WELL# <u>1</u>	LOCATION <u>Wagon - 17th St 11.5 10/19</u>			COUNTY <u>Wagon</u>	STATE <u>KS</u>	
OLD OR NEW (Circle one)							

CONTRACTOR Wagon - 115
 TYPE OF JOB 1 4' 11' 3"
 HOLE SIZE 7 1/2 T.D. 773
 CASING SIZE 4 1/2 DEPTH 773
 TUBING SIZE DEPTH
 DRILL PIPE DEPTH
 TOOL DEPTH
 PRES. MAX 1500 MINIMUM 100
 MEAS. LINE SHOE JOINT
 CEMENT LEFT IN CSG.
 PERFS.
 DISPLACEMENT 44.5

OWNER Wagon
CEMENT
 AMOUNT ORDERED 50 sacks, 4 1/2' 1 1/2' 10' 5' 20'
125.00 44.5' 11'
 COMMON @
 POZMIX @
 GEL @
 CHLORIDE @
 @
 @
 @
 @
 @
 @
 @
 HANDLING @
 MILEAGE @
 TOTAL

EQUIPMENT

PUMP TRUCK CEMENTER Max
 # 1 HELPER Wayne
 BULK TRUCK
 # 2 DRIVER Jerry
 BULK TRUCK
 # 347 DRIVER Andy

REMARKS:

SERVICE

1 1/2' 4 1/2' with 15' and 1 1/2' plus 20'
Help with 1 1/2' 3 1/2' 11' with
1 1/2' 4 1/2' 1 1/2' + 1 1/2' 11' 10' 5' 20'
1 1/2' 4 1/2' 1 1/2' 10' 5' 20'
44.5' 11' 10' 5' 20' 11' 10' 5' 20'
Cement did circulate

DEPTH OF JOB
 PUMP TRUCK CHARGE
 EXTRA FOOTAGE @
 MILEAGE @
 PLUG 1 1/2' Latah Power @
 @
 @

TOTAL

CHARGE TO: Wagon - 115
 STREET
 CITY STATE ZIP

FLOAT EQUIPMENT

1-4 1/2' 11' 10' 5' 20' @
1-4 1/2' 11' 10' 5' 20' @
1 7 1/2' 11' 10' 5' 20' @
 @
 @

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 J. K. ...

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.

Federal Tax I.D.# 48-0727860

5446 ORIGINAL

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

SERVICE POINT:

DAKLEY

15-075-20733-0000

DATE <u>9-26-00</u>	SEC. <u>10</u>	TWP. <u>22S</u>	RANGE <u>40W</u>	CALLED OUT	ON LOCATION <u>9:30PM</u>	JOB START <u>10:30PM</u>	JOB FINISH <u>11:00PM</u>
LEASE <u>LOIS</u>	WELL# <u>1</u>	LOCATION <u>SYRACUSE 13N-4E-1/2S-WINTG</u>		COUNTY <u>HAMILTON</u>	STATE <u>KS</u>		
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR CHRYSTENNE DRILL RIGS OWNER SHANE

TYPE OF JOB SURFACE

HOLE SIZE 2 1/2" T.D. 226'

CASING SIZE 1 3/4" DEPTH 226'

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG. 15'

PERFS.

DISPLACEMENT 13 1/2 BBL

EQUIPMENT

PUMP TRUCK CEMENTER TERRY

300 HELPER WAYNE

BULK TRUCK

212 DRIVER ANDREW

BULK TRUCK

DRIVER

CEMENT AMOUNT ORDERED 175 SKS COM 220CC 1/4 SEAL

COMMON @ _____

POZMIX @ _____

GEL @ _____

CHLORIDE @ _____

@ _____

@ _____

@ _____

@ _____

HANDLING @ _____

MILEAGE @ _____

TOTAL _____

REMARKS:

CEMENT MEN CIRC.

SERVICE

DEPTH OF JOB 226'

PUMP TRUCK CHARGE _____

EXTRA FOOTAGE @ _____

MILEAGE @ _____

PLUG 8 3/4 SURFACE @ _____

@ _____

@ _____

TOTAL _____

CHARGE TO: HORSESHOE OPERATING, INC.

STREET _____

CITY _____ STATE _____ ZIP _____

FLOAT EQUIPMENT

1-THREAD LOCK @ _____

@ _____

@ _____

@ _____

@ _____

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 [Signature]

[Signature]

PRINTED NAME

GENERAL TERMS AND CONDITIONS

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(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.

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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.

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(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.