

# MERIT ENERGY COMPANY WORKOVER REPORT

PROPERTY CODE: 0

WORK REPORT: # 17      AFE # 18441      AFE AMOUNT: \$ 0  
 DATE OF WORK: 7/14/2008      DAILY COST: \$ 21244.00      COUNTY: Weld  
 FIELD: Wattenberg      CUM COST: \$ 138270.00      STATE: Colorado  
 WELL / LEASE: Emily #7-10      API NC: 05-123-14568  
 OBJECTIVE: Csg repair & re-comp Nio  
 PRESENT OPERATION: Cement csg  
 RIG / SERVICE UNIT: Ensign #312      TD: 7071'      PBTD: 7027'  
 CASING SIZE(S): 8 5/8"      SET @ 230'      TBG SIZE: 2 3/8" 4.7# J-55 8rd  
                          4 1/2"      SET @ 7069'      PKR @ 0  
                          0      SET @ 0      TBG ANCHOR @ 0  
                          0      SET @ 0      ANNULAR FLUID: 0  
 PERFORATIONS : Niobrara: 6630'-6635'=5 perfs, 6771'-6786'= 10 perfs, Codell: 6918'-6926'  
 MISC: Cement 4 1/2" csg w/ 275 sx  
 TOTAL LOAD: \_\_\_\_\_      LOAD RECOVERED: \_\_\_\_\_      LOAD TO RECOVER: 0  
 FOREMAN / CONSULTANT: Joe Sevenski

## OPERATION

SIP=0#. Load the hole, circulate & roll the gas out. Work the csg down while circulating the hole clean until we landed the patch on the csg stub. Press tested the patch & csg to 2k for 15-min (good test). Bled off the press, stripped off the BOPs & landed the csg w/ 94k. Cut off the landing jt, welded on a 4 1/2" bell nipple & NU the BOPs. Dropped the dart to open the DV tool & RU Halliburton. Broke circulation, pumped 24 bbls of mud flush, 5 bbls FW, 250sx 10.6ppg lead Cmt, 25sx 15.8ppg tail Cmt. Dropped wiper plug & flushed w/ 64 bbls FW. Landed plug w/ 2k to close DV tool (had good returns during entire job). Bled off the press to 500#, RD Halliburton & secured well. SDON.

### VENDORS & COST:

1) <u>Ensign / PU</u>	\$ <u>5273.00</u>	6) _____	\$ _____
2) <u>Halliburton / Cmt &amp; ser</u>	\$ <u>13326.00</u>	7) _____	\$ _____
3) <u>Nabors / Service</u>	\$ <u>600.00</u>	8) _____	\$ _____
4) <u>Integrity / TP</u>	\$ <u>1545.00</u>	9) _____	\$ _____
5) <u>DJR / Welder</u>	\$ <u>500.00</u>	10) _____	\$ _____
		<b>Total</b>	<b>\$ <u>21244.00</u></b>

REPORTED BY: 0

# MERIT ENERGY COMPANY WORKOVER REPORT

PROPERTY CODE: 0

WORK REPORT: # 19      AFE # 18441      AFE AMOUNT:\$ 0  
 DATE OF WORK: 7/16/2008      DAILY COST: \$ 9244.00      COUNTY: Weld  
 FIELD: Wattenberg      CUM COST: \$ 153746.00      STATE: Colorado  
 WELL / LEASE: Emily #7-10      API NC: 05-123-14568  
 OBJECTIVE: Csg repair & re-comp Nio  
 PRESENT OPERATION: Drill Cmt & run bond log  
 RIG / SERVICE UNIT: Ensign #312      TD: 7071'      PBDT: 7027'  
 CASING SIZE(S): 8 5/8"      SET @ 230'      TBG SIZE: 2 3/8" 4.7# J-55 8rd  
                          4 1/2"      SET @ 7069'      PKR @ 0  
                          0      SET @ 0      TBG ANCHOR @ 0  
                          0      SET @ 0      ANNULAR FLUID: 0  
 PERFORATIONS : Niobrara: 6630'-6635'=5 perfs, 6771'-6786'= 10 perfs, Codell: 6918'-6926'  
 MISC: \_\_\_\_\_  
 TOTAL LOAD: \_\_\_\_\_      LOAD RECOVERED: \_\_\_\_\_      LOAD TO RECOVER: 0  
 FOREMAN / CONSULTANT: Joe Sevenski

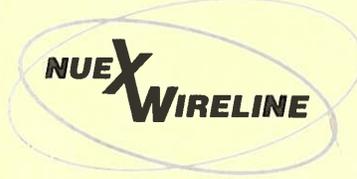
## OPERATION

SIP=0#, RIH w/ tbg & tagged TOF w/ 203-jts @ 5881' MD. RU the power swivel, c/o fill to 6042' MD & RD the PS. TIH w/ tbg tallying, tagged TOF w/ 220-jts @ 6364' MD & RU the PS. Feather drilled to 6370' MD. Rolled the hole w/ clean 2% KCL, RD the PS & J-U head. TOH w/ tbg, laid down drilling equip & RU NueX Wireline. Ran a Gamma Ray/CCL/Cmt Bond/VDL log (est TOC @ 134'), RD EWL & made up RBP retrieving head. TIH w/ tbg, secured the well & SDON.

### VENDORS & COST:

1) <u>Ensign / PU</u>	\$ <u>6332.00</u>	6) _____	\$ _____
2) <u>NueX / Bond log</u>	\$ <u>1700.00</u>	7) _____	\$ _____
3) <u>Integrity / TP</u>	\$ <u>1212.00</u>	8) _____	\$ _____
4) _____	\$ _____	9) _____	\$ _____
5) _____	\$ _____	10) _____	\$ _____
<b>Total</b>			\$ <u>9244.00</u>

REPORTED BY: 0



15581 Hwy 14 • P.O. Box 447 • Sterling, CO 80751  
 970-526-1084  
 12670 WCR 251/2 • Fort Lupton, CO 80621  
 970-785-0158

FIELD TICKET # 8594  
 DATE July 10 2008  
 TRUCK # T5  
 SERVICE CUT

*Merit Energy* CUSTOMER *Enley* LEASE *7-10* WELL#  
 ADDRESS *weld* COUNTY *colo* STATE  
 CITY LEGAL DESCRIPTION SECTION TOWNSHIP RANGE  
 STATE ZIP ORDERED BY TRUCK OPERATOR *K. Monaghan*  
 WITNESSED BY

FOOTAGE SERVICED	SERVICE PERFORMED	UNIT PRICE	TOTAL
@ 4127	Chemical Cut 4 1/2" casing	3885.00	3885.00
	- 2nd Chemical Cylinder	700.00	700.00
	Pack off pressure control	350.00	350.00
	Service charge	500.00	500.00
	Gauge Ring w/ Junk Basket	700.00	700.00
	Sinker Bar Run	700.00	NO charge

Date: PI  
 Jim: PI  
 Kevin: PI

AFE # 18441

*Thank YOU!*

TOTAL CHARGES \$6135.00

I CERTIFY THAT THE ABOVE MATERIALS OR SERVICES HAVE BEEN RECEIVED, THAT THE BASIS FOR CHARGES IS CORRECTLY STATED, AND THAT I AM AUTHORIZED TO SIGN THIS MEMORANDUM AS THE AGENT OF OWNER OR THE CONTRACTOR.

AGENT OF OWNER OR CONTRACTOR *J. Sevensh*

CHARGES ARE SUBJECT TO CORRECTIONS BY OUR INVOICING DEPARTMENT IN ACCORDANCE WITH LATEST PRICE SCHEDULES AND THE ADDITION OF APPLICABLE STATE AND LOCAL SALES/USE TAX IF NOT LISTED ABOVE

WHITE - ACCOUNTING  
 GOLD - CUSTOMER  
 CANARY - INVOICE  
 PINK - FIELD





The Road to Excellence Starts with Safety

Sold To #: 303833	Ship To #: 2666345	Quote #:	Sales Order #: 6029579
Customer: MERIT ENERGY COMPANY		Customer Rep: SEVENSKI, JOE	
Well Name: Emily	Well #: 7-10	API/UWI #:	
Field:	City (SAP): UNKNOWN	County/Parish:	State:
Contractor: Eastern Colorado Well Service		Rig/Platform Name/Num: ?	
Job Purpose: Recement Service			
Well Type: Producing Well		Job Type: Recement Service	
Sales Person: FRAZER, STEPHEN		Srvc Supervisor: BOURNE, JAMES	MBU ID Emp #: 178208

Job Personnel

HES Emp Name	Exp Hrs	Emp #	HES Emp Name	Exp Hrs	Emp #	HES Emp Name	Exp Hrs	Emp #
BANUELOS, GUADALUPE	5	372277	BOURNE, JAMES B	5	178208	OTERI, VAUGHN Steeves	5	443828
POWELL, DEREK Wade	5	414892						

Equipment

HES Unit #	Distance-1 way						
10635455	40 mile	10804557C	40 mile	10822531C	40 mile	10972458	40 mile
78323C	40 mile						

Job Hours

Date	On Location Hours	Operating Hours	Date	On Location Hours	Operating Hours	Date	On Location Hours	Operating Hours
14 JULY	5	1						
TOTAL			Total is the sum of each column separately					

Job

Job Times

Formation Name	Formation Depth (MD)	Top	Bottom	Form Type	Job depth MD	Job Depth TVD	Water Depth	Perforation Depth (MD)	From	To	Called Out	Date	Time	Time Zone
				BHST	4125. ft	4125 ft					14 - Jul - 2008	10:30	MST	
											14 - Jul - 2008	13:30	MST	
											14 - Jul - 2008	16:47	MST	
											14 - Jul - 2008	17:52	MST	
											14 - Jul - 2008	18:45	MST	

Well Data

Description	New / Used	Max pressure psig	Size in	ID in	Weight lbm/ft	Thread	Grade	Top MD ft	Bottom MD ft	Top TVD ft	Bottom TVD ft

Tools and Accessories

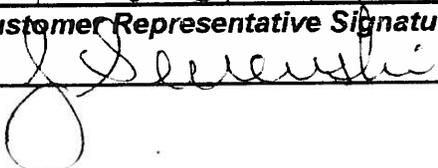
Type	Size	Qty	Make	Depth	Type	Size	Qty	Make	Depth	Type	Size	Qty	Make
Guide Shoe					Packer					Top Plug			
Float Shoe					Bridge Plug					Bottom Plug			
Float Collar					Retainer					SSR plug set			
Insert Float										Plug Container			
Stage Tool										Centralizers			

Miscellaneous Materials

Gelling Agt	Conc	Surfactant	Conc	Acid Type	Qty	Conc %
Treatment Fld	Conc	Inhibitor	Conc	Sand Type	Size	Qty

Fluid Data

Stage/Plug #: 1										
Fluid #	Stage Type	Fluid Name	Qty	Qty uom	Mixing Density lbm/gal	Yield ft <sup>3</sup> /sk	Mix Fluid Gal/sk	Rate bbl/min	Total Mix Fluid Gal/sk	

Stage/Plug #: 1									
Fluid #	Stage Type	Fluid Name	Qty	Qty uom	Mixing Density lbm/gal	Yield ft <sup>3</sup> /sk	Mix Fluid Gal/sk	Rate bbl/min	Total Mix Fluid Gal/sk
1	MUD FLUSH III	MUD FLUSH III - SBM (528788)	23.809	Gal	8.4	.0	.0	.0	
2	Lead Cement 10.6#	HALLIBURTON LIGHT STANDARD - SBM (12313)	250.0	sacks	10.6	4.28	27.35		27.35
	4 %	HALLIBURTON GEL, 50 LB SK (100064040)							
	0.2 %	D-AIR 3000 (101007446)							
	0.5 %	ECONOLITE (100001580)							
	5 lbm	SILICALITE - COMPACTED, 50 LB SK (100012223)							
	3 %	SALT, 100 LB BAG (100003652)							
	25.231 Gal	FRESH WATER							
3	Tail Cement 15.8#	CMT - PREMIUM - CLASS G, 94 LB SK (100003685)	25.0	sacks	15.8	1.15	4.99		4.99
	94 lbm	CMT - PREMIUM - CLASS G REG OR TYPE V, BULK (100003685)							
	4.989 Gal	FRESH WATER							
Calculated Values		Pressures		Volumes					
Displacement	62	Shut In: Instant		Lost Returns	0	Cement Slurry	167	Pad	
Top Of Cement	0	5 Min		Cement Returns	3	Actual Displacement	63	Treatment	
Frac Gradient		15 Min		Spacers	29	Load and Breakdown		Total Job	259
Rates									
Circulating		Mixing		Displacement		Avg. Job			
Cement Left In Pipe	Amount	0 ft	Reason	Shoe Joint					
Frac Ring # 1 @	ID	Frac ring # 2 @	ID	Frac Ring # 3 @	ID	Frac Ring # 4 @	ID	ID	ID
The Information Stated Herein Is Correct				Customer Representative Signature 					

**The Road to Excellence Starts with Safety**

Sold To #: 303833	Ship To #: 2666345	Quote #:	Sales Order #: 6029579
Customer: MERIT ENERGY COMPANY		Customer Rep: SEVENSKI, JOE	
Well Name: Emily	Well #: 7-10	API/UWI #:	
Field:	City (SAP): UNKNOWN	County/Parish:	State:
<b>Legal Description:</b>			
Lat: N 0 deg. OR N 0 deg. 0 min. 0 secs.		Long: E 0 deg. OR E 0 deg. 0 min. 0 secs.	
Contractor: Eastern Colorado Well Service		Rig/Platform Name/Num: ?	
Job Purpose: Recement Service			Ticket Amount:
Well Type: Producing Well		Job Type: Recement Service	
Sales Person: FRAZER, STEPHEN		Srvc Supervisor: BOURNE, JAMES	MBU ID Emp #: 178208

Activity Description	Date/Time	Cht #	Rate bbl/min	Volume bbl		Pressure psig		Comments
				Stage	Total	Tubing	Casing	
Test Lines	07/14/2008 1647							LINES TESTED TO 2500PSI MIN
Pump Spacer 1	07/14/2008 1648		6		24		500.0	MUDFLUSH
Pump Spacer 2	07/14/2008 1650		6		5		700.0	H2O
Pump Lead Cement	07/14/2008 1655		6		182		700.0	250 SKS HLC MIXED @10.6PPG
Pump Tail Cement	07/14/2008 1730		4		5		250.0	25SKS PREMIUM MIXED@ 15.8PPG
Drop Plug	07/14/2008 1734							
Pump Displacement	07/14/2008 1736		6		64		250.0	H2O
Close MSC	07/14/2008 1751						1420.0	FINAL LIFT WAS 550PSI
End Job	07/14/2008 1752							



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FIELD TICKET # 8639  
 DATE 7-15-08  
 TRUCK # 13  
 SERVICE LOG

CUSTOMER MERIT ENERGY LEASE EMILY WELL# 7-10  
 ADDRESS WELD COUNTY WELD STATE COLO  
 CITY SW-NE LEGAL DESCRIPTION 19 SECTION 5N TOWNSHIP 65W RANGE  
 STATE MR. SEVENSKI ORDERED BY A. MUNDAY TRUCK OPERATOR  
 ZIP \_\_\_\_\_ WITNESSED BY \_\_\_\_\_

FOOTAGE SERVICED	SERVICE PERFORMED	UNIT PRICE	TOTAL
4200	CEMENT BOND LOG w/GANIMACC, UDL		
4200-50	DEPTH CHARGE (MIN)		1000.00
	LOGGING CHARGE		700.00
<b>TOTAL CHARGES</b>			<u>1700.00</u>

AFE 18441

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AGENT OF OWNER OR CONTRACTOR [Signature]

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