

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

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' 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: _____
 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) _____	\$ _____
		Total	\$ <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

CUSTOMER

ADDRESS

CITY

LEGAL DESCRIPTION

SECTION

TOWNSHIP

RANGE

STATE

ZIP

ORDERED BY

TRUCK OPERATOR

WITNESSED BY

FOOTAGE
SERVICED

SERVICE PERFORMED

UNIT
PRICE

TOTAL

@ 4127

Chemical Cut 4 1/2" Casing
- 2nd Chemical Cylinder

3885.00

3885.00

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

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

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

[Signature]



970-785-2023 • 303-659-6699

DATE 11/11/00

INVOICE NO

DO NOT

SEE NO

SERVICE SLIP

ABSTRACT

1	600.00	10%	540
50	1.75	—	105

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TOTAL SERVICE & MATERIALS		645.00
TAX %	TAXABLE ST. AMT.	
TOTAL CHARGES		

I was not injured, involved in or witness to an accident during the performance of this work. If an injury or accident occurred a signature is not to be provided. The injury or accident is to be reported

Employee Name _____

Gold - Customer



970-785-2023 • 303-659-6699

FIELD TICKET No. 10891
DELIVERED FROM PLATTEVILLE
DATE 7/11/08

ORDERED BY		TITLE		SERVICE SUPPLY			
PART NO.	DESCRIPTION	REV	QTY	UNIT	DISC	AMOUNT	

<p>CUSTOMER AGREES to pay Nabors Oil Tools (the "Supplier") on a net 30 day basis from date of invoice. If Customer disputes any item invoiced, Customer shall, within 20 days after receipt of invoice, notify the Supplier of the item(s) disputed, specifying the reason(s) therefor; payment of the disputed item(s) may be withheld until settlement of dispute, but payment of undisputed portion of invoice shall be made without delay. All payments shall be made at the address shown on the reverse side of this document. In the absence of a separate written contract, CUSTOMER REPRESENTATIVE REPRESENTS AND WARRANTS THAT HE/SHE IS AUTHORIZED TO ENTER INTO THIS AGREEMENT ON BEHALF OF CUSTOMER AND ACCEPTS ALL TERMS AND CONDITIONS AS PRINTED ON THE REVERSE SIDE OF THIS DOCUMENT (WHICH INCLUDES INDEMNITY LANGUAGE THAT ALLOCATES RISKS RELATED TO THE ABOVE DESCRIBED SERVICES). Pricing and extensions, if shown above, are subject to verification and correction at time of invoicing.</p>		<p>CHARGES ARE SUBJECT TO CORRECTION 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.</p>	
<p>TOTAL SERVICE & MATERIALS TAX</p>		<p>ST. TAXABLE AMT.</p>	<p>\$12,658</p>
<p>TOTAL CHARGES</p>			
<p>I was not injured, involved in or witness to an accident during the performance of this work. If an injury or accident occurred a signature is not to be provided. The injury or accident is to be reported</p>			

shown above, are subject to verification and correction at time of invoicing.

CHARGES ARE SUBJECT TO CORRECTION 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.

TOTAL SERVICE & MATERIALS		812.618
TAX %	ST. TAXABLE AMT.	
TOTAL CHARGES		

I was not injured, involved in or witness to an accident during the performance of this work. If an injury or accident occurred a signature is not to be provided. The injury or accident is to be reported to the supervisor so that a report can be prepared.

Gold – Customer

Kenneth D. Arnold

Cementing Job Summary

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		Srv 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	HES Unit #	Distance-1 way	HES Unit #	Distance-1 way	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

Formation Name	Formation Depth (MD)	Top	Bottom	Form Type	Job depth MD	Job Depth TVD	Water Depth	Perforation Depth (MD)	From	To
				BHST	4125. ft	4125. ft				
							Wk Ht Above Floor			

Job Times

Date	Time	Time Zone
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
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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

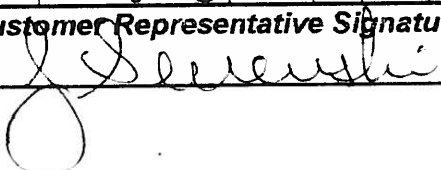
Gelling Agt	Conc	Surfactant	Conc	Acid Type	Qty	Conc %
Treatment Fld	Conc	Inhibitor	Conc	Sand Type	Size	Qty

Fluid Data

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

Cementing Job Summary

Stage/Plug #: 1									
Fluid #	Stage Type	Fluid Name	Qty	Qty uom	Mixing Density lbm/gal	Yield ft ³ /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		
The Information Stated Herein Is Correct				Customer Representative Signature 					

HALLIBURTON***Cementing Job Log******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:
Legal Description:			
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							

Sold To # : 303833

Ship To # :2666345

Quote # :

Sales Order # :

6029579

SUMMIT Version: 7.20.130

Monday, July 14, 2008 06:12:00

