

API NO. 121-24152  
 OTC PROD. UNIT NO. 121-125456

PLEASE TYPE OR USE BLACK INK ONLY  
 NOTE: Attach copy of original 1002A if recompletion or reentry.

OKLAHOMA CORPORATION COMMISSION  
 Oil & Gas Conservation Division  
 Post Office Box 52000  
 Oklahoma City, Oklahoma 73152-2000  
 Rule 165:10-3-25

Form 1002A  
 Rev. 2007

902202024

X ORIGINAL  
 \_\_\_ AMENDED  
 Reason Amended

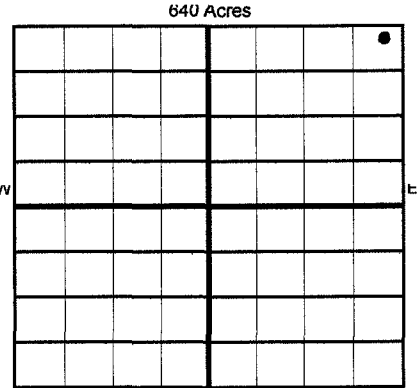
COMPLETION REPORT

TYPE OF DRILLING OPERATION  
 \_\_\_ STRAIGHT HOLE \_\_\_ DIRECTIONAL HOLE X HORIZONTAL HOLE  
 \_\_\_ SERVICE WELL

SPUD DATE 7/27/2008  
 DRLG FINISHED 8/6/2008

If directional or horizontal, see reverse for bottom hole location.

COUNTY	PITTSBURG	SEC	31	TWP	8N	RGE	14E	WELL COMPLETION	10/16/2008
LEASE NAME	TANNA BROWN			WELL NO.	1H-31			1ST PROD DATE	10/17/2008
SHL	NE 1/4 NE 1/4 NE 1/4 NE 1/4			FSL	2475'			FWL OF 1/4 SEC	2335'
ELEVATION	Derrick Fl 737'			Ground	725'			Latitude if Known	Longitude if Known
OPERATOR NAME	CANAAN RESOURCES, LLC				OTC/OCC OPERATOR NO.	220270			
ADDRESS	211 NORTH ROBINSON, SUITE N1000								
CITY	OKLAHOMA CITY			STATE	OK		ZIP	73102	



LOCATE WELL

COMPLETION TYPE

X	SINGLE ZONE
	MULTIPLE ZONE
	Application Date
	COMMINGLED
	Application Date
LOCATION EXCEPTION ORDER NO.	557614
INCREASED DENSITY ORDER NO.	557543

CASING & CEMENT (Form 1002C must be attached)

TYPE	SIZE	WEIGHT	GRADE	FEET	PSI	SAX	TOP	
Conductor								
Surface	9 5/8"	36#	LS	408'		230	SURFACE	
Intermediate	7"	23#	LS	2837'		150	1639'	
Production								
Liner	4 1/2"	11.6#	J-55	3242'				
							TOTAL DEPTH	5498'

PACKER @ BOT LINER HNG BRAND & TYPE 2256' PLUG @ TYPE PLUG @ TYPE TOTAL DEPTH 5498'  
 PACKER @ BRAND & TYPE PLUG @ TYPE PLUG @ TYPE

COMPLETION & TEST DATA BY PRODUCING FORMATION 404 HRSR

FORMATION	HARTSHORNE						
SPACING & SPACING ORDER NUMBER	640 / 394171						
CLASS: Oil, Gas, Dry, Inj, Disp, Comm Disp, Svc	GAS						
PERFORATED INTERVALS	2827' - 5498'						
ACID/VOLUME Fracture Treatment (Fluids/Prop Amounts)	NONE						
	NA						
	NONE						

Request minimum gas allowable (165:10-17-7) Gas Purchaser/Measurer UNIMARK, LLC 1st Sales Date 10/17/2008

INITIAL TEST DATA

INITIAL TEST DATE	10-27-08				
OIL-BBL/DAY	0				
OIL-GRAVITY ( API)	NA				
GAS-MCF/DAY	131				
GAS-OIL RATIO CU FT/BBL	NA				
WATER-BBL/DAY	48				
PUMPING OR FLOWING	FLOWING				
INITIAL SHUT-IN PRESSURE	NA - CBM WELL EXEMPT FROM SHUT IN TEST REQUIREMENT				
CHOKE SIZE	1"				
FLOW TUBING PRESSURE	3#				

A record of the formations drilled through, and pertinent remarks are presented on the reverse. I declare that I have knowledge of the contents of this report and am authorized by my organization to make this report, which was prepared by me or under my supervision and direction, with the data and facts stated herein to be true, correct, and complete to the best of my knowledge and belief.

SIGNATURE: *S. Mark Cain* S. MARK CAIN, V.P. OF ENGINEERING DATE: 2.16.09  
 ADDRESS: 211 NORTH ROBINSON, SUITE N1000 OKLAHOMA CITY OK 73102 EMAIL ADDRESS: TAMMY.GREEN@CANAANGAS.COM  
 PHONE NUMBER: 604-9226 TAMMY

PLEASE TYPE OR USE BLACK INK ONLY  
FORMATION RECORD

Give formation names and tops, if available, or descriptions and thickness of formations drilled through. Show intervals cored or drillstem tested.

LEASE NAME TANNA BROWN

WELL NO. 1H-31

NAMES OF FORMATIONS	TOP
HARTSHORNE	
TVD	2336'
MD	2797'

FOR COMMISSION USE ONLY

ITD on file  YES  NO

APPROVED \_\_\_\_\_ DISAPPROVED \_\_\_\_\_

2) Reject Codes \_\_\_\_\_

*HC*  
*2-23-09*

Were open hole logs run? yes  no

Date Last log was run \_\_\_\_\_

Was CO<sub>2</sub> encountered? yes  no at what depths? \_\_\_\_\_

Was H<sub>2</sub>S encountered? yes  no at what depths? \_\_\_\_\_

Were unusual drilling circumstances encountered? \_\_\_\_\_ yes  no  
If yes, briefly explain. \_\_\_\_\_

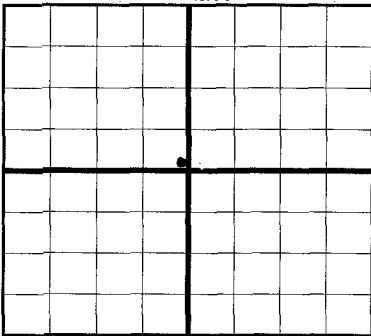
Other remarks: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

640 Acres



**BOTTOM HOLE LOCATION FOR DIRECTIONAL HOLE**

SEC	TWP	RGE	COUNTY
Spot Location	Feet From 1/4 Sec Lines		
1/4	1/4	1/4	1/4
Measured Total Depth	True Vertical Depth	BHL From Lease, Unit, or Property Line:	

**BOTTOM HOLE LOCATION FOR HORIZONTAL HOLE: (LATERALS)**

**LATERAL #1**

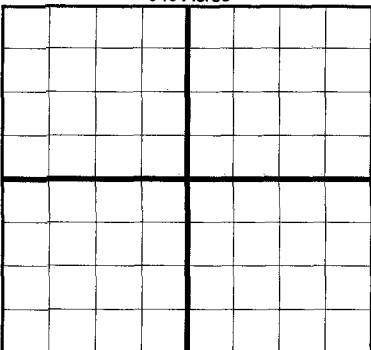
SEC	TWP	RGE	COUNTY
31	8N	14E	PITTSBURG
Spot Location	Feet From 1/4 Sec Lines		
SE 1/4 SE 1/4 SE 1/4 NW 1/4	15'	FSL	2639' FWL
Depth of Deviation	Radius of Turn	Direction	Total Length
1911'	371'		225.98' 3392'
Measured Total Depth	True Vertical Depth	End Pt Location From Lease, Unit or Property Line:	
5498'	2282'	2625' ENL & 2641' EEL 2625' ENL	

If more than three drainholes are proposed, attach a separate sheet indicating the necessary information.

Direction must be stated in degrees azimuth. Please note, the horizontal drainhole and its end point must be located within the boundaries of the lease or spacing unit.

**Directional surveys are required for all drainholes and directional wells.**

640 Acres



**LATERAL #2**

SEC	TWP	RGE	COUNTY
Spot Location	Feet From 1/4 Sec Lines		
1/4	1/4	1/4	1/4
Depth of Deviation	Radius of Turn	Direction	Total Length
Measured Total Depth	True Vertical Depth	End Pt Location From Lease, Unit or Property Line:	

**LATERAL #3**

SEC	TWP	RGE	COUNTY
Spot Location	Feet From 1/4 Sec Lines		
1/4	1/4	1/4	1/4
Depth of Deviation	Radius of Turn	Direction	Total Length
Measured Total Depth	True Vertical Depth	End Pt Location From Lease, Unit or Property Line:	