

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

Operator: License # 6039
Name: L. D. DRILLING, INC.
Address: 7 SW 26 AVE
City/State/Zip: Great Bend, Kansas 67530
Purchaser: _____
Operator Contact Person: L. D. DAVIS
Phone: (620) 793-3051
Contractor: Name: L. D. DRILLING, INC.
License: 6039
Wellsite Geologist: Kim Shoemaker

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Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)

If Workover/Re-entry: Old Well Info as follows:

Operator: _____
Well Name: _____
Original Comp. Date: _____ Original Total Depth: _____
 Deepening Re-perf. Conv. to Enhr./SWD
 Plug Back _____ Plug Back Total Depth _____
 Commingled _____ Docket No. _____
 Dual Completion _____ Docket No. _____
 Other (SWD or Enhr.?) _____ Docket No. _____

<u>2/21/04</u>	<u>2/27/04</u>	<u>2/27/04</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 063-21582-00-00
County: Gove
S/2 SW4 Sec. 32 Twp. 15 S. R. 30 East West
660 feet from (S) N (circle one) Line of Section
1320 feet from E / (W) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW (SW)
Lease Name: Graff "A" Well #: 1
Field Name: _____

Producing Formation: _____
Elevation: Ground: 2743' Kelly Bushing: 2748'
Total Depth: 4506 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 224 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 RA's UN 4-23-04
(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. R. _____ East West
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 of 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: Bessie DeWerff
Title: Secretary/Treasurer Date: 3/1/04

Subscribed and sworn to before me this 1 day of March,
20 04

Notary Public: Rashell Patten
Date Commission Expires: 2-2-07

KCC Office Use ONLY
1/6 Letter of Confidentiality Attached
If Denied, Yes Date: _____
4/4 Wireline Log Received
4/4 Geologist Report Received
UIC Distribution

NOTARY PUBLIC - STATE OF KANSAS
Rashell Patten
My Adpt. Exp. 2-2-07

Operator Name: L. D. DRILLING, INC. Lease Name: Graff "A" Well #: 1
 Sec. 32 Twp. 15 S. R. 30 East West County: Gove

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems 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 test, along with final chart(s). Attach extra sheet if more space is needed. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

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:

Log Formation (Top), Depth and Datum Sample
 Name Top Datum

See Attached

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Radiation Guard Log & Borehole Compensated
 Sonic Log

CASING RECORD <input checked="" type="checkbox"/> New <input 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	12 1/4"	8 5/8"	24#	224'	Pozmix	175	60/40 2%Gel3%CC

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

TUBING RECORD	Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input type="checkbox"/> No

Date of First. Resumerd Production, SWD or Enhr.	Producing Method
	<input 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

Disposition of Gas Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled _____
(If vented, Submit ACO-18.) Other (Specify) _____

OPERATOR: L. D. DRILLING, INC.

LEASE: GRAFF "A" #1
 S/2 SW Sec. 32-T15s-R30w
 Gove County, Ks.

WELLSITE GEOLOGIST: KIM SHOEMAKER

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CONTRACTOR: L. D. DRILLING, INC.

MAR 03 2004

ELEVATION:
 2743' GR 2748' KB
 PTD: 4550'

SPUD: 2:00 P.M. 2-21-04

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SURFACE: 8 5/8" set @ 224' Did Circ. Acid Service

15-063-21582-00-00

2-11-04 Dig Rotary Pits
 2-19-04 Will Move into location & spud
 2-20-04 Did not spud..Repairing Crown
 2-21-04 Spud 2:00 P.M. Ran 5 Jt. New
 24# 8/5/8" tally 216.80 set @
 224' W/175 sx. 60/40 poz, 2% Gel
 3%cc 1/4# sell flake per sk.
 Plug down 8:15 P.M. 2-21
 2-22-04 377' Drilling Bust Plug 4:15 AM
 2-23-04 2129' Drilling
 2-24-04 3085' Drilling
 2-25-04 3754' Drilling Displace mud @
 3379'
 2-26-04 4180' Drilling
 2-27-04 4506' RTD Short trip, circ. 1 hr
 then come out for LOG
 No tests taken

1st plug @ 2225 W/25 sx.
 2nd plug @ 1170 W/100 sx.
 3rd plug @ 275 W/40 sx.
 4th plug @ 40 W/10 sx. & wiper plug
 rathole W/15 sx.
 Total 190 sx. 60/40 poz 6% gel
 1/4# flo-seal per sk
 Plug down @ 9:45 PM 2-27+04
 State Plugger: Roger Moses
 Allied Cementing

DST #1
 TIMES:
 BLOW: 1st Open
 2nd Open
 RECOVERY:
 IFP: FFP: ISIP: FSIP:

TEMP:
DST #2
 TIMES:
 BLOW: 1st Open
 2nd Open
 RECOVERY:
 IFP: FFP: ISIP: FSIP:

TEMP:
DST #3
 TIMES:
 BLOW: 1st Open
 2nd Open
 RECOVERY:
 IFP: FFP: ISIP: FSIP:

TEMP:
 Myric Station 4336 -1588
 Ft. Scott 4354 -1606(11' down)
 Cherokee 4380 -1632
 Johnson 4420 -1672
 Miss 4462 -1714

SAMPLE TOPS:

Anhy	top	2177 +571	
	base	2209 +539	-1' to north hole
Stotler		3419 -671	-5'
Heebner		3801 -1053	
Lansing		3839 -1091	
Muncie Creek		4012 -1264	
Stark		4103 -1355	
Hush Puckney		4138 -1390	
Base K/C		4177 -1429	
Marm.		4209 -1461	
Pawnee		4302 -1554	

SEE PAGE 2 for log tops

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GRAFF "A" #1
S/2 SW Sec. 32-15-30
Gove Co. Ks.

LOG TOPS

Anhy top	2177	(+571)
base	2207	(+541)
Stottler	3419	(-671)
Heebner	3800	(-1052)
Lansing	3840	(-1092)
Muncie Creek	4011	(-1263)
Stark	4101	(-1353)
Hush Puckney	4136	(-1388)
Base K/C	4177	(-1429)
Marm.	4210	(-1462)
Pawnee	4301	(-1554)
Myric. Station	4335	(-1557)
Ft. Scott	4354	(-1600)
Cherokee	4379	(-1631)
Johnson	4420	(-1672)
Miss.	4462	(-1714)
Log TD.	4506	

ALLIED CEMENTING CO., INC. 13616

Federal Tax I.D.#

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

SERVICE POINT:

OAKLEY

2-27-04	SEC 32	TWP 155	RANGE 30W	CALLED OUT	ON LOCATION 6:30 PM	JOB START 7:00 PM	JOB FINISH 9:45 PM
GRAFF "A"	WELL # 1	LOCATION HERLY 2W-3N-1/2W-2N-1/2W2N			COUNTY GOVE	STATE KS	
OLD OR NEW (Circle one)							

CONTRACTOR L.O. DRLLG.
TYPE OF JOB PTA
HOLE SIZE 7 7/8" T.D. 4506'
CASING SIZE _____ DEPTH _____
TUBING SIZE _____ DEPTH _____
DRILL PIPE 4 1/2" DEPTH 2225'
TOOL _____ DEPTH _____
PRES. MAX _____ MINIMUM _____
MEAS. LINE _____ SHOE JOINT _____
CEMENT LEFT IN CSG. _____
PERFS. _____
DISPLACEMENT _____

OWNER SAME
CEMENT
AMOUNT ORDERED 190 SKS 60/40/20 626EL 1/4 SEAL
COMMON 114 SKS @ 835 951 90
POZMIX 76 SKS @ 282 288 82
GEL 10 SKS @ 10 100 0
CHLORIDE @ _____
@ _____
@ _____
@ _____
FLO-SEAL 48" @ 140 67 20
@ _____
@ _____
HANDLING 200 SKS @ 142 230 0
MILEAGE 054 PER SK / MI 1/2 600 0

EQUIPMENT

PUMP TRUCK # 172 CEMENTER TERRY
HELPER FUZZY
BULK TRUCK # 361 DRIVER MIKE
BULK TRUCK # _____ DRIVER _____

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REMARKS:

25 SKS AT 2225'
100 SKS AT 1170'
40 SKS AT 775'
15 SKS RAT HOLE

THANK YOU

CHARGE TO: L.O. DRILLING, INC.
STREET _____
CITY _____ STATE _____ ZIP _____

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.

SIGNATURE Michael Palaso

SERVICE

DEPTH OF JOB 2225'
PUMP TRUCK CHARGE 630 00
EXTRA FOOTAGE @ _____
MILEAGE 60 MI @ 350 210 0
PLUG 8 5/8 DRY HOLE @ 23 0
@ _____
@ _____
TOTAL 863 00

FLOAT EQUIPMENT

@ _____
@ _____
@ _____
@ _____
@ _____
TOTAL _____

TAX _____
TOTAL CHARGE _____
DISCOUNT _____ IF PAID IN 30 DAYS
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 wilful 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.