

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

RELEASED

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM

ORIGINAL

WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 5474
Name: NORTHERN LIGHTS OIL CO., LC
Address: P.O. BOX 164
City/State/Zip: ANDOVER, KS 67002
Purchaser: _____
Operator Contact Person: Kurt Smith **RECEIVED**
Phone: (316) 733-1515 **MAY 18 2004**
Contractor: Name: Mallard JV
License: 4958 **KCC WICHITA**
Wellsite Geologist: Kurt Smith

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SLOW 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>4-13-04</u>	<u>4-19-04</u>	<u>4-19-04</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-135-24278
County: Ness
SW SW SW NW Sec. 21 Twp. 17 S. R. 22 East West
2310 feet from S (circle one) Line of Section
120 feet from E (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE (NW) SW
Lease Name: Ann Well #: 1

Field Name: Happy Hollow N.
Producing Formation: Cherokee
Elevation: Ground: 2275 Kelly Bushing: 2280

Total Depth: 4350 Plug Back Total Depth: -
Amount of Surface Pipe Set and Cemented at 280 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
(Data must be collected from the Reserve Pit)
Chloride content 3500 ppm Fluid volume 5000 bbls
Dewatering method used Evaporation

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: [Signature]
Title: GENERAL MANAGER Date: 5-14-4

Subscribed and sworn to before me this 14th day of MAY,
2004.

Notary Public: [Signature]
Date Commission Expires: 7-14-05



KCC Office Use ONLY

Letter of Confidentiality Attached
 If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

ORIGINAL

Operator Name: NORTHERN LIGHTS OIL CO., LC Lease Name: Ann Well #: 1
 Sec. 21 Twp. 17 S. R. 22 East West County: Ness

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:
 RAG

RECEIVED
MAY 18 2004
KCC WICHITA

<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	Sample
Name	Top	Datum
Anhydrite	1556	+724
LKC	3726	-1446
FT Scott	4198	-1918
Mississippian	4330	-2050

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	23#	280'	60/40 poz	195 5x	6%gel .2%flwS

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> 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
				Yes No

Date of First, Resumed Production, SWD or Enhr.	Producing Method							
	Flowing	Pumping	Gas Lift	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 (If vented, Sumit ACO-18.)

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled Other (Specify) _____

Production Interval _____

KCC
MAY 17 2004
CONFIDENTIAL

ALLIED CEMENTING CO., INC.

18265

Federal Tax I.D.# [REDACTED]

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

ORIGINAL

SERVICE POINT:

At Bend

DATE <u>4-13-04</u>	SEC. <u>21</u>	TWP. <u>17</u>	RANGE <u>22</u>	CALLED OUT <u>1:30 PM</u>	ON LOCATION <u>3:30 PM</u>	JOB START <u>6:45 PM</u>	JOB FINISH <u>7:15 PM</u>
LEASE <u>ANN</u>	WELL # <u>1</u>	LOCATION <u>Bayona 4w, 7th, E/S</u>			COUNTY <u>Wes</u>	STATE <u>Ka</u>	
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR Mallard OWNER Sam FIDL

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 280' CEMENT

CASING SIZE 8 7/8 DEPTH 280' AMOUNT ORDERED 185 lbs Common 3% cc

TUBING SIZE _____ DEPTH _____ 2% gel

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____ COMMON 185 lb @ 7.25 1322.75

MEAS. LINE _____ SHOE JOINT _____ POZMIX _____ @ _____

CEMENT LEFT IN CSG. 15' FROM _____ GEL 4 gal @ 10.00 40.00

PERFS. _____ CONFIDENTIAL FLORIDE 6 gal @ 30.00 180.00

DISPLACEMENT 17 bbls ASC _____ @ _____

EQUIPMENT

PUMP TRUCK CEMENTER Tom D RECEIVED _____ @ _____

181 HELPER Bob B MAY 18 2004 _____ @ _____

BULK TRUCK _____ KCC WICHITA _____ @ _____

342 DRIVER Don Dugan _____ @ _____

BULK TRUCK _____ @ _____

_____ DRIVER _____ @ _____

HANDLING 195 gal @ 1.15 224.25

MILEAGE 195 gal OS @ 15 146.25

TOTAL 1913.25

REMARKS:

Run 280' of 8 7/8" cas. Broke circulation.
Mixed 185 lbs common 3% cc, 2% gel.
Released plug. Displaced with fresh
H₂O.

Cement in Cellar ✓
Cement did circulate
17 bbls

CHARGE TO: Northern Lights

STREET _____

CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB 280'

PUMP TRUCK CHARGE _____ 520.00

EXTRA FOOTAGE _____ @ _____

MILEAGE 15 @ 350 52.50

_____ @ _____

_____ @ _____

TOTAL 572.50

PLUG & FLOAT EQUIPMENT

MANIFOLD _____ @ _____

1-8 7/8" wooden @ 45.00 45.00

_____ @ _____

_____ @ _____

_____ @ _____

TOTAL _____

TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE X Leelan R Ueda

X LAVON R URBAN
PRINTED NAME

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.

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. 13004

Federal Tax I.D.# ~~CONFIDENTIAL~~

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

SERVICE POINT: Great Bend

ORIGINAL

DATE <u>4-19-04</u>	SEC. <u>21</u>	TWP. <u>17</u>	RANGE <u>22</u>	CALLED OUT <u>9:00 AM</u>	ON LOCATION <u>1:00 PM</u>	JOB START <u>1:45 PM</u>	JOB FINISH <u>4:45 PM</u>
LEASE <u>Ann</u>	WELL # <u>1</u>	LOCATION <u>Bazine 4W, 7 1/2 N, east side</u>			COUNTY <u>Neosho</u>	STATE <u>Kansas</u>	
<input checked="" type="radio"/> OLD OR NEW (Circle one)							

CONTRACTOR Mallard J.V.
 TYPE OF JOB Rotary Plug
 HOLE SIZE 7 1/2 T.D. 4350'
 CASING SIZE _____ DEPTH _____
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE 4 1/2 DEPTH 1600'
 TOOL _____ DEPTH _____
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ ~~SHOULDER~~
 CEMENT LEFT IN CSG. _____ FROM _____
 PERFS. _____
 DISPLACEMENT _____ **CONFIDENTIAL**

OWNER Northern Lights
 CEMENT
 AMOUNT ORDERED 215 cu 60/40 6% gel
1/4" # 120 Seal

COMMON	<u>129 cu</u>	@	<u>7.65</u>	<u>986.85</u>
POZMIX	<u>80 cu</u>	@	<u>4.00</u>	<u>344.00</u>
GEL	<u>11 cu</u>	@	<u>11.00</u>	<u>121.00</u>
CHLORIDE	_____	@	_____	_____
<u>1/2 Seal 54#</u>	_____	@	<u>1.40</u>	<u>75.60</u>
_____	_____	@	_____	_____
_____	_____	@	_____	_____
_____	_____	@	_____	_____
_____	_____	@	_____	_____
HANDLING	<u>228 cu</u>	@	<u>1.25</u>	<u>285.00</u>
MILEAGE	<u>228 mi</u>	@	<u>15</u>	<u>171.00</u>
TOTAL				<u>1983.45</u>

EQUIPMENT
H.B.
 PUMP TRUCK CEMENTER J.P. Dreiling
 # 120 HELPER Don Dimmitt
 BULK TRUCK
 # 342 DRIVER Marylyn
 BULK TRUCK
 # _____ DRIVER _____

REMARKS:

SERVICE

1st 1600' - 50 cu
2nd 900' - 80 cu
3rd 300' - 50 cu
4th 40' - 10 cu
 15 cu in rathole
 10 cu in mousehole

DEPTH OF JOB 1600'
 PUMP TRUCK CHARGE _____ 570.00
 EXTRA FOOTAGE _____ @ _____
 MILEAGE 15 @ 4.00 60.00
 PLUG 1-8 5/8 dry hole @ 23.00 23.00
 _____ @ _____
 _____ @ _____

RECEIVED
 MAY 18 2004
 KCC WICHITA
 TOTAL 603.00

CHARGE TO: Northern Lights
 STREET P.O. Box 164
 CITY Andover STATE Kansas ZIP 67002

FLOAT EQUIPMENT
 _____ @ _____
 _____ @ _____
 _____ @ _____
 _____ @ _____
 _____ @ _____

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

SIGNATURE [Signature]

[Signature]
 PRINTED NAME

THANK YOU!

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