

ORIGINAL

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

RECEIVED
KANSAS CORPORATION COMMISSION
OCT 15 2004
CONSERVATION DIVISION
WICHITA, KS

Operator: License # 32638
Name: Nadel and Gussman, L.L.C.
Address: 15 E. 5th St., Suite 3200
City/State/Zip: Tulsa, OK 74103
Purchaser: NA
Operator Contact Person: Chuck Coday
Phone: (918) 583-3333
Contractor Name: Murfin Drilling
License: 30606
Wellsite Geologist: Brad Rine

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: Nadel and Gussman L.L.C.

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. _____

6-12-04 6-20-04 8-21-04
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 129-21735-00-00
County: Morton
C. SW SE NE Sec. 5 Twp. 33 S. R. 42 East West
2400 feet from S / (circle one) Line of Section
1050 feet from E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Hanke Well #: 2-5
Field Name: Mustang East
Producing Formation: Morrow
Elevation: Ground: 3516 Kelly Bushing: 3527
Total Depth: 4750 Plug Back Total Depth: 4659
Amount of Surface Pipe Set and Cemented at 1438 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from _____
feet depth to ALT I WITH W/ 2-5-07 sx cmt.

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)
Chloride content 1500 ppm Fluid volume +/- 3500 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: NC Coday
Title: Sr. Operations Engineer Date: 10/13/04
Subscribed and sworn to before me this 13th day of October,
19 2004
Notary Public: Kathy Corrow
Date Commission Expires: 8-1-07

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

JAN 13 1990

Operator Name: Nadel and Gussman, L.L.C. Lease Name: Hanke Well #: 2-5
 Sec. 5 Twp. 33 S. R. 42 East West County: Morton

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 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: SDL/DSN II Microlog Sonic High Res Induction Log	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>Log</th> <th>Formation (Top), Depth and Datum</th> <th>Sample</th> </tr> </thead> <tbody> <tr> <td>Name</td> <td>Top</td> <td>Datum</td> </tr> <tr> <td>Wabaunsee</td> <td>2670</td> <td>3527' KB</td> </tr> <tr> <td>Topeka</td> <td>2902</td> <td></td> </tr> <tr> <td>Heebner Shale</td> <td>3277</td> <td></td> </tr> <tr> <td>Lansing</td> <td>3412</td> <td></td> </tr> <tr> <td>Marmaton</td> <td>3948</td> <td></td> </tr> <tr> <td>Atoka</td> <td>4394</td> <td></td> </tr> <tr> <td>Morrow Shale</td> <td>4479</td> <td></td> </tr> <tr> <td>Upper Morrow Sand</td> <td>4590</td> <td></td> </tr> <tr> <td>TD</td> <td>4750</td> <td></td> </tr> </tbody> </table>	Log	Formation (Top), Depth and Datum	Sample	Name	Top	Datum	Wabaunsee	2670	3527' KB	Topeka	2902		Heebner Shale	3277		Lansing	3412		Marmaton	3948		Atoka	4394		Morrow Shale	4479		Upper Morrow Sand	4590		TD	4750	
Log	Formation (Top), Depth and Datum	Sample																																
Name	Top	Datum																																
Wabaunsee	2670	3527' KB																																
Topeka	2902																																	
Heebner Shale	3277																																	
Lansing	3412																																	
Marmaton	3948																																	
Atoka	4394																																	
Morrow Shale	4479																																	
Upper Morrow Sand	4590																																	
TD	4750																																	

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	24	1438	Light	475	15:85 Poz/Class C w/2% CaCl2 1/4# Flocele
					Class C	200	2% CaCl2 1/4# Flocele
Production	7-7/8	5-1/2	15.5	4749	Self Stress	175	2% CaCl2 1/4# Flocele

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
4	4591-4602	1500 gals MSR-100	
		Frac'd w/37,000 gals 70 Q N2 Foam &	
		54,000# 16/30 sand	

TUBING RECORD	Size	Set At	Packer At	Liner Run	Yes	No
2-7/8	6.5#	4528	NA			<input checked="" type="checkbox"/>
Date of First, Resumed Production, SWD or Enhr.		Producing Method				
8-21-04		Flowing <input checked="" type="checkbox"/> Pumping		Gas Lift	Other (Explain)	
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity	
16 hrs	43	30	10	698	38	

Disposition of Gas METHOD OF COMPLETION Production Interval

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

6218

Dowell

Schlumberger Technology Corporation Well Services
 702 E. Brillhart St.
 PERRYTON, TX 79070
 Tel: (806) 435-5436
 Fax: (806) 435-4484

INVOICE

COPY

Service Date	06/20/2004	Job Number	2205546234	Invoice Date	06/22/2004	Invoice	9091219179
Bill To: NADEL & GUSSMAN 3232 FIRST NAT'L TOWER TULSA OK 74103 USA				Remit To: Schlumberger Technology Corporation - Dowell P.O. Box 201556 Houston, TX 77216-1556 Wires: WIRES TO: Citibank NA New York, NY 10043 Acct# 4069-2574 ABA/Routing# 021000089 Tax Registration Number: 22-1692661 We can invoice you EDI. Call (281)-285-4230 for more information.			
Terms 30 Days Net				Service Description DW Cementing-Case, Cement Prod			
Customer PO		Contract		AFE		Price Reference Dowell US	
Well HANKE 2-5		State KS		County/Parish/Block Morton		Legal Location	
Field		Customer or Authorized Representative Coday, Chuck			Rig MURFIN 22		
JUL 07 REC'D							
Item	Description	Quantity	List Price	Disc	Net Price	Net Amount	
48019000	Cement Bulk Unit hrs On Location	4.000 HR	146.50	-50.000 %	73.2500	293.00	
48601000	Cement Head Rental	1.000 JOB	706.00	-50.000 %	353.0000	353.00	
49100000	Service Chg Cement Matl Land All DW Fur	213.000 CF	3.07	-50.000 %	1.5350	326.95	
49102000	Transportation Cement Ton Mile	483.000 MI	2.26	-50.000 %	1.1300	545.79	
59200002	Mileage, All Other Equipment	100.000 MI	6.04	-50.000 %	3.0200	302.00	
59697004	PRISM	1.000 JOB	1,185.00	-50.000 %	592.5000	592.50	
102871050	Casing Cmnt 4501-5000' 1st 4hr	1.000 EA	3,645.00	-50.000 %	1,822.5000	1,822.50	
107264001	DOT Vehicle Charge, per each	2.000 EA	125.00		125.0000	250.00	
Sub-Total Services						4,485.74	
56702054	Plug, Cementing 5 1/2 In Top Plastic	1.000 EA	124.50	-50.000 %	62.2500	62.25	
102946000	Fuel Surcharge	1.000 EA	169.43		169.4300	169.43	
D013	Retarder D13	17.000 LB	3.70	-50.000 %	1.8500	31.45	
D029	Cellophane Flakes D29	44.000 LB	3.48	-50.000 %	1.7400	76.56	
D046	Antifoam Agent, All Purpose D46	33.000 LB	6.71	-50.000 %	3.3550	110.71	
D065	Dispersant, TIC D65	33.000 LB	10.33	-50.000 %	5.1650	170.44	
D807-1	SELF STRESS I Additive <18% Salt	2,695.000 LB	0.84	-50.000 %	0.4200	1,131.90	
D827	Chemical Wash CW100 D827	20.000 BL	80.60	-50.000 %	40.3000	806.00	
D909	Cement, Class H D909	176.000 CF	21.99	-50.000 %	10.9950	1,935.12	
L064	Clay Stabilizer L64	19.000 GA	61.80	-50.000 %	30.9000	587.10	
Sub-Total Products						5,080.96	
Total before tax						9,566.70	
Tax, USState/CanGST 5.300 %						230.72	
Total Amount Due on or Before 07/22/2004 PAYABLE IN USD FUNDS						9,797.42	

RECEIVED
 KANSAS CORPORATION COMMISSION
OCT 15 2004
 CONSERVATION DIVISION
 WICHITA, KS

Lease Hanke 2-5
Workover
 Drilling or Completion
 ACP
 BCP
 Tangible
 Intangible 406
Job Description
Approval PCG

Please reference invoice number 9091219179 on payment.
 Thank-you for calling Dowell

Service Contract Receipt

Schlumberger

1072502

SCHLUMBERGER TECHNOLOGY CORPORATION

Job Number
2205546234

Invoice Mailing Address:
NADEL & GUSSMAN

3232 FIRST NAT'L TOWER
TULSA, OK
US

Customer PO _____ **Contract** _____

Well HANKE 2-5 **State/Province** KS

Field _____ **Customer or Authorized Representative** Today, Chuck

LEFT DISTRICT	Date	6/19/2004	Time	5:00:00 PM
ARRIVE LOCATION	Date	6/19/2004	Time	8:00:00 PM
JOB START	Date	6/20/2004	Time	1:49:00 AM
JOB COMPLETION	Date	6/20/2004	Time	2:55:00 AM
LEAVE LOCATION	Date	6/20/2004	Time	4:00:00 AM
ARRIVED DISTRICT	Date	6/20/2004	Time	7:00:00 AM

Service Instructions
CEMENT 5 1/2 PRODUCTION CASING WITH:
20 BBL FRESHWATER
20 BBL CW100
175 SKS SS10:10+0.2%D65+0.2%D46+0.1%D13+0.25ppsD29
DISPLACE WITH 4% KCL

Service Description
Cementing - Cem Prod Casing

AFE	Rig
	MURFIN 22
County/Parish/Block	Legal Location
Morton	
Customer or Authorized Representative	
Today, Chuck	

THE ESTIMATED CHARGES AND DATA SHOWN BELOW ARE SUBJECT TO CORRECTION BY SCHLUMBERGER.

Item	Description	Quantity	Unit	Unit Price	Amount
Services					
102871050	Casing Cmnt 4501-5000' 1st 4hr	1	EA	3,645.00	3,645.00
107264001	DOT Vehicle Charge, per each	2	EA	125.00	250.00
48019000	Cement Bulk Unit hrs On Location	4	HR	146.50	586.00
48601000	Cement Head Rental	1	JOB	706.00	706.00
49100000	Service Chg Cement Matl Land All DW Fur	213	CF	3.07	653.91
49102000	Transportation Cement Ton Mile	500	MI	2.26	1,130.00
59200002	Mileage, All Other Equipment	100	MI	6.04	604.00
59697004	PRISM	1	JOB	1,185.00	1,185.00
Services Subtotal:					8,759.91
Discount:					4,254.96
Special Discount:					0.00
Estimated Total (USD):					4,504.96

Products					
102946000	Fuel Surcharge	1	EA	138.24	138.24
56702054	Plug, Cementing 5 1/2 In Top Plastic	1	EA	124.50	124.50
D013	Retarder D13	17	LB	3.70	62.90
D013	Retarder D13	17	LB	3.70	62.90
D029	Cellophane Flakes D29	44	LB	3.48	153.12
D046	Antifoam Agent, All Purpose D46	33	LB	6.71	221.43
D065	Dispersant, TIC D65	33	LB	10.33	340.89
D807-1	SELF STRESS I Additive <18% Salt	1662	LB	0.84	1,396.08
D827	Chemical Wash CW100 D827	20	BL	80.60	1,612.00
D909	Cement, Class H D909	176	CF	21.99	3,870.24
L064	Clay Stabilizer L64	19	GA	61.80	1,174.20
Products Subtotal:					9,156.50
Discount:					4,509.13
Special Discount:					0.00
Estimated Total (USD):					4,647.37

RECEIVED
KANSAS CORPORATION COMMISSION
OCT 15 2004
CONSERVATION DIVISION
WICHITA, KS

Service Contract Receipt



SCHLUMBERGER TECHNOLOGY CORPORATION

Job Number
2205546234

Invoice Mailing Address:
NADEL & GUSSMAN

3232 FIRST NAT'L TOWER
TULSA, OK
US

LEFT DISTRICT	Date	6/19/2004	Time	5:00:00 PM
ARRIVE LOCATION	Date	6/19/2004	Time	8:00:00 PM
JOB START	Date	6/20/2004	Time	1:49:00 AM
JOB COMPLETION	Date	6/20/2004	Time	2:55:00 AM
LEAVE LOCATION	Date	6/20/2004	Time	4:00:00 AM
ARRIVED DISTRICT	Date	6/20/2004	Time	7:00:00 AM

Service Instructions
CEMENT 5 1/2 PRODUCTION CASING WITH:
20 BBL FRESHWATER
20 BBL CW100
175 SKS SS10:10+0.2%D65+0.2%D46+0.1%D13+0.25ppsD29
DISPLACE WITH 4% KCL

Service Description
Cementing - Cem Prod Casing

Customer PO	Contract	AFE	Rig
			MURFIN 22
Well	State/Province	County/Parish/Block	Legal Location
HANKE 2-5	KS	Morton	
Field	Customer or Authorized Representative		
	Coday, Chuck		

THE ESTIMATED CHARGES AND DATA SHOWN BELOW ARE SUBJECT TO CORRECTION BY SCHLUMBERGER.

Item	Description	Quantity	Unit	Unit Price	Amount
	Total (Before Discount):			17,916.41	
	Discount:			8,764.09	
	Special Discount:			0.00	
				Estimated Total (USD):	9,152.32

THE ESTIMATED CHARGES AND DATA SHOWN ABOVE ARE SUBJECT TO CORRECTION BY SCHLUMBERGER.

THE SERVICES, EQUIPMENT, MATERIALS AND /OR PRODUCTS PROVIDED BY THIS SERVICE CONTRACT RECEIPT HAVE BEEN PERFORMED OR RECEIVED AS SET FORTH ABOVE.

Signature of Customer or Authorized Representative: *NC Coday* Date: 6-20-04
Coday, Chuck

Signature of Schlumberger Representative: *Paul Gonzales* Date: 6-20-04
Gonzales, Paul

RECEIVED
KANSAS CORPORATION COMMISSION

OCT 15 2004

CONSERVATION DIVISION
WICHITA, KS

ALLIED CEMENTING CO., INC.

10441

Federal Tax I.D.# ~~██████████~~

TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:
Oakley KS

DATE <u>6-13-04</u>	SEC <u>5</u>	TWP. <u>33</u>	RANGE <u>42</u>	CALLED OUT <u>9:00 am</u>	ON LOCATION <u>3:00 pm</u>	JOB START <u>7:00 pm</u>	JOB FINISH <u>10:15 pm</u>
LEASE <u>HANKE</u>		WELL# <u>2-5</u>		LOCATION <u>Richfield w. curve</u>		COUNTY <u>Mendon</u>	STATE <u>KS</u>
OLD OR NEW (Circle one)				<u>3 1/2 S W - 1 N</u>			

CONTRACTOR MUA #22

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 1439

CASING SIZE 8 5/8 24# DEPTH 1438'

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT 43.35

CEMENT LEFT IN CSG. 43.35

PERFS. _____

DISPLACEMENT 89 Bbls H₂O

OWNER same

CEMENT

AMOUNT ORDERED 475 Lbs 29cc

1/4# flo-seal

200# 29cc 1/4# flo-seal

COMMON <u>200</u>	@ <u>10.65</u>	<u>2130.00</u>
POZMIX _____	@ _____	_____
GEL _____	@ _____	_____
CHLORIDE <u>14</u>	@ <u>30.00</u>	<u>420.00</u>
<u>flo-seal 169</u>	@ <u>1.40</u>	<u>236.60</u>
_____	@ _____	_____
<u>Lbs weight 475</u>	@ <u>8.15</u>	<u>3871.25</u>
_____	@ _____	_____
HANDLING <u>889</u>	@ <u>1.25</u>	<u>861.25</u>
MILEAGE <u>54 /SK/mile</u>		<u>1722.50</u>
		<u>60</u>
		TOTAL <u>9241</u>

EQUIPMENT

PUMP TRUCK CEMENTER Fuzzy

191 HELPER Wayne

BULK TRUCK

361 DRIVER Larry

BULK TRUCK

377 DRIVER Jarrod

REMARKS:

Mix + pump 475 SK Lbs 29cc 1/4# flo-seal

Followed by 200 SK Class 'C'

29cc 1/4# flo-seal. Displace

plug to insert.

Insert did hold

cement did circulate

Plug down @ 9:50 pm

THANKS

SERVICE

DEPTH OF JOB 1438'

PUMP TRUCK CHARGE _____ 1130.00

EXTRA FOOTAGE _____ @ _____

MILEAGE 50 @ 4.00 200.00

PLUG 8 5/8 @ 100.00 100.00

RECEIVED _____ @ _____

KANSAS CORPORATION COMMISSION _____ @ _____

TOTAL 1430.00

CONSERVATION DIVISION
WICHITA, KS

OCT 15 2004

CHARGE TO: Nadel + Gussman

STREET _____

CITY _____ STATE _____ ZIP _____

FLOAT EQUIPMENT

<u>8 5/8 Texas Pat G.S.</u>	@ <u>265.00</u>	<u>265.00</u>
<u>8 5/8 insert</u>	@ <u>325.00</u>	<u>325.00</u>
<u>8 5/8 cent 7</u>	@ <u>33.00</u>	<u>231.00</u>
_____	@ _____	_____
_____	@ _____	_____
		TOTAL <u>821.00</u>

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.

TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE

John May

PRINTED NAME

X John May