

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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JUN 21 2004

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

KCC WICHITA

ORIGINAL

Operator: License # 5192
Name: Shawmar Oil & Gas Co., Inc.
Address: P.O. Box 9
City/State/Zip: Marion, KS 66861
Purchaser: NCRA
Operator Contact Person: James M. Cloutier
Phone: (620) 382-2932
Contractor: Name: KAN-DRILL, INC
License: 32548

Wellsite Geologist: _____
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. _____

03/10/2004 03/17/2004 03/23/04
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 017-20854-00-00
County: Chase
NE 1/4 SE 1/4 NE 1/4 Sec. 23 Twp. 18 S. R. 6 East West
1650 feet from S N (circle one) Line of Section
330 feet from E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: LIPS Well #: 10-23

Field Name: Diamond Creek
Producing Formation: KC Lansing

Elevation: Ground: 1417 Kelly Bushing: _____
Total Depth: 1542 Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at 206 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set N/a Feet

If Alternate II completion, cement circulated from N/a
feet depth to _____ w/ _____ sx cmt.

Drilling Fluid Management Plan ALT I W/HM
(Data must be collected from the Reserve Pit) 2-22-07
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: [Signature]
Title: President Date: June 18, 2004

Subscribed and sworn to before me this 18 day of June

2004
Notary Public: Carol Makovec
Date Commission Expires 3-01-08
CAROL MAKOVEC
NOTARY PUBLIC
STATE OF KANSAS
My Appt. Exp. 03/01/08

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

Operator Name: Shawmar Oil & Gas Co., Inc Lease Name: LIPS Well #: 10-23
 Sec. 23 Twp. 18 S. R. 6 East West County: Chase

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 type="checkbox"/> Yes <input checked="" 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: Dual Compensated Porosity Log Dual Induction Log Sonic Cement Bond Log	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum KC Lansing 1441-1447
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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#	206	Class A reg. thick set	115	3% CACLZ 30# flocele
Longstring	6 3/4	4 1/2	9.5#	1550		185	740# kol-seal

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 <i>(Amount and Kind of Material Used)</i>	
		Amount and Kind of Material Used	Depth
4	1441 to 1447	1500 gal. 15% NE-FE 2000 gal. 15% NE-FE gelled retarded acid	1441-1447

TUBING RECORD		Size 2 3/8	Set At 1468	Packer At N/a	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or Enhr. 04/02/04		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. 6.5	Gas Mcf 3	Water Bbls. 25	Gas-Oil Ratio	Gravity 35

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 1441-1447

**BLUE STAR
ACID SERVICE, INC.**

CONFIDENTIAL

PO Box 103
Eureka, Kansas 67045

Cementing Ticket
and Invoice Number

Nº 5354

Date <u>3-11-04</u>	Customer Order No.	Sect. <u>23</u>	Twp. <u>18s</u>	Range <u>6E</u>	Truck Called Out <u>-</u>	On Location <u>2:30pm</u>	Job Began <u>4:00pm</u>	Job Completed <u>4:30</u>
Owner <u>Shawmar Oil & Gas Co., Inc</u>		Contractor <u>Kan-Drill</u>			Charge To <u>Shawmar Oil & Gas Co., Inc</u>			
Mailing Address <u>P.O. Box 9</u>		City <u>Marion</u>			State <u>Ks.</u>			
Well No. & Form <u>Lips #10-23</u>		Place <u>Chase</u>			County <u>Kansas</u>			
Depth of Well <u>215'</u>	Depth of Job <u>206'</u>	Casing (New) Size <u>8 5/8"</u> (Used) Weight <u>24lb.</u>	Size of Hole Amt. and Kind of Cement <u>12 1/4" 115 SKs.</u>		Cement Left in casing by <u>Request</u>		Necessity <u>15'</u> feet	
Kind of Job <u>Surface Pipe</u>					Drillpipe _____ Tubing _____		(Rotary) _____ (Cable) _____ Truck No. <u>#12</u>	

Price Reference No. _____
 Price of Job 425.00
 Second Stage _____
 Mileage Truckfield N/C
 Other Charges _____
 Total Charges 425.00

Remarks Safety Meeting: Rig up to 8 5/8" casing, break circulation w/ fresh water
Mixed 115 SKs. Reg. cement w/ 3% CACHz and Flocele
Displace cement with 12 Bbls. water.
Shut down - close casing in, with good cement fellows
4 Bbls. Slurry

Job complete - Tear down

Cementor Brad Butler
 Helper Alan - Jim District Eureka State Kansas
 The above job was done under supervision of the owner, operator, or his agent whose signature appears below.

"Thank you"

[Signature]
 Agent of contractor or operator

Sales Ticket for Materials Only

Quantity Sacks	BRAND AND TYPE	PRICE	TOTAL
<u>115</u>	<u>SKs. Regular - class A cement</u>	<u>7.75</u>	<u>891.25</u>
<u>325</u>	<u>lbs. CACHz 3%</u>	<u>.35</u>	<u>113.75</u>
<u>30</u>	<u>lbs. Flocele 1/4 lb. p/sk</u>	<u>1.00</u>	<u>30.00</u>
Co. # <u>05</u>			
Vendor # <u>V0324</u>			
Invoice # <u>5354 031045</u>			
Invoice Date <u>03/11/04</u>			
Due Date <u>04/10/04</u>			
Transaction Date <u>03/24/04</u>			
G/L # <u>71730</u>			
Lease # <u>72310-05</u>			
Posted Date <u>03/24/04</u>			
Plugs			
	<u>115 SKs. Handling & Dumping</u>	<u>.50</u>	<u>57.50</u>
	<u>5.4 Trk. Mileage 60</u>	<u>.80</u>	<u>259.20</u>
	Sub Total		<u>1776.70</u>
	Discount		
Delivered by Truck No. <u>#10</u>	Sales Tax	<u>5.3%</u>	<u>94.17</u>
Delivered from <u>Eureka</u>	Total		<u>1870.87</u>
Signature of operator <u>Brad Butler</u>			

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KCC WICHITA

KCC

JUN 18 2004

CONFIDENTIAL

**BLUE STAR
ACID SERVICE, INC.**

CONFIDENTIAL

PO Box 103
Eureka, Kansas 67045

Cementing Ticket
and Invoice Number

No 5341

Date 3-17-04	Customer Order No.	Sect. 23	Twp. 18s	Range 6E	Truck Called Out 12:30 am	On Location 3:30 pm	Job Began 4:45 pm	Job Completed 5:20 pm
Owner SHAWMAR OIL & GAS Co, INC.		Contractor KAN-DRILL			Charge To SHAWMAR OIL & GAS Co, INC.			
Mailing Address P.O. Box 9		City MARION			State Ks			
Well No. & Form Lias # 10-23		Place CHASE		County CHASE		State Ks		
Depth of Well 1542'	Depth of Job 1550'	Casing <input checked="" type="radio"/> New <input type="radio"/> Used	Size 4 1/2"	Weight 9.5 #	Size of Hole Amt. and Kind of Cement 6 3/4" 185 SKS	Cement Left in casing by	Request Necessity 0' feet	
Kind of Job Longstring					Drillpipe	<input checked="" type="radio"/> Rotary <input type="radio"/> Cable		
					Tubing	Truck No. #21		

Price Reference No.	# 1
Price of Job	665.00
Second Stage	
Mileage 60 >	135.00
Other Charges	
Total Charges	800.00

Remarks **Safety Meeting: Rig up to 4 1/2 casing. Break Circulation with Bbl fresh water. Pump 15 Bbl Dye water. Mixed 185 sks Thick Set Cement with 4# Kol-Seal per/sk. Wash out pump & lines. Shut down. Release Plug. Displace with 25° Bbl fresh water. FINAL Pumping Pressure 800 PSI. Bump Plug to 1300 PSI. Release Pressure. Float Held. Good Cement Returns to Surface = 4 Bbl Slurry. Job Complete. Rig down**

Cementor **KEVIN McCoy**
 Helper **MIKE, ALAN** District **EUREKA** State **Ks**
 The above job was done under supervision of the owner, operator, or his agent whose signature appears below.

Thank You **x Called By Les**
 Agent of contractor or operator

Sales Ticket for Materials Only

Quantity Sacks	BRAND AND TYPE	PRICE	TOTAL
185 sks	Thick Set Cement Co. # 05	10.75	1988.75
740 #	Kol-Seal 4# per/sk Vendor # V0B24	.30	222.00
	Invoice # 5341 03/01/04		
	RECEIVED Invoice Date 03/17/04		
	JUN 21 2004 Due Date 04/16/04		
	KCC WICHITA Transaction Date 03/24/04		
	G/L # 71730		
	Lease # 72310-05		
3	4 1/2 x 6 3/4 Centralizers Posted Date 03/24/04	26.00	78.00
1	4 1/2 Cement Basket	100.00	100.00
1	4 1/2 AFU Float Shoe	110.50	110.50
1	4 1/2 Top Rubber Plug	35.00	35.00
	185 sks Handling & Dumping	.50	92.50
Plugs	10.17 Tons Mileage 60	.80	488.16
	Delivered by #29 Truck No.	Sub Total	3914.91
	Delivered from EUREKA	Discount	
	Signature of operator Kevin McC	Sales Tax 5.3%	207.49
		Total	4122.40