

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE**

Form ACO-1
September 1999
Form Must Be Typed

Operator: License # 32654
Name: Jones Gas Corporation
Address: P O Box 970
City/State/Zip: Wichita, KS 67201-0970
Purchaser: Layne Sycamore Pipeline
Operator Contact Person: George R. Jones
Phone: (316) 262-5503
Contractor: Name: Well Refined Drilling Company, Inc.
License: 33072
Wellsite Geologist: Dean Seeber

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>8/28/04</u>	<u>8/30/04</u>	<u>9/20/04</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

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API No. 15 - 125-30596-00-00
County: Montgomery
C. SW NE Sec. 32 Twp. 31 S. R. 15 East West
1980' feet from S / N (circle one) Line of Section
1980' feet from E W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: H. McDaniel B Well #: 2
Field Name: Jefferson-Sycamore
Producing Formation: Bartlesville Sand
Elevation: Ground: 930 Kelly Bushing: _____
Total Depth: 1410.9 Plug Back Total Depth: 1394'
Amount of Surface Pipe Set and Cemented at 20.6" Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 1400
feet depth to surface w/ 175 sx cmt.

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit) *ACT II WITH 3-19-04*
Chloride content _____ ppm Fluid volume _____ bbls
Dewatering method used N/A - Air Drill
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: _____
Title: President Date: 9/27/04
Subscribed and sworn to before me this 27 day of September,
20 04.
Notary Public: Cindy Jones
Date Commission Expires: May 15, 2007

**CINDY JONES
NOTARY PUBLIC
STATE OF KANSAS
My Appt. Exp. 5-15-2007**

KCC Office Use ONLY

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

Operator Name: Jones Gas Corporation Lease Name: H. McDaniel B Well #: 2
 Sec. 32 Twp. 31 S. R. 15 East West County: Montgomery

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: Differential Temperature Log; Comp. Density- Neutron Hi-Resolution Density Log	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td><input checked="" type="checkbox"/> Log</td> <td>Formation (Top), Depth and Datum</td> <td><input type="checkbox"/> Sample</td> </tr> <tr> <td>Name</td> <td>Top</td> <td>Datum</td> </tr> <tr> <td>Mulky</td> <td>1006</td> <td>-76</td> </tr> <tr> <td>Fleming</td> <td>1094</td> <td>-164</td> </tr> <tr> <td>Weir</td> <td>1177</td> <td>-247</td> </tr> <tr> <td>Bartlesville</td> <td>1205</td> <td>-275</td> </tr> <tr> <td>Mississippi</td> <td>1394</td> <td>-464</td> </tr> </table>	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample	Name	Top	Datum	Mulky	1006	-76	Fleming	1094	-164	Weir	1177	-247	Bartlesville	1205	-275	Mississippi	1394	-464
<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample																				
Name	Top	Datum																				
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Weir	1177	-247																				
Bartlesville	1205	-275																				
Mississippi	1394	-464																				

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	20#	20.6'	Portland	4	
Production	6 3/4"	4 1/2	10.5#	1400	Thick Set	175	2% gel; 5% metasilicate;
							2% floeal

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				

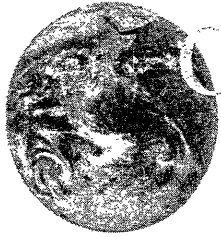
Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record <i>(Amount and Kind of Material Used)</i>	Depth
2	1214-1217'	Acidized w/ 300 gal. 15% HCL Acid; 500 Gal. Water	

TUBING RECORD		Size <u>2 3/8"</u>	Set At <u>1210'</u>	Packer At <u>None</u>	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. <u>9/21/04</u>		Producing Method <input checked="" 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
		<u>80</u>	<u>None</u>		

Disposition of Gas Vented Sold Used on Lease *(If vented, Submit ACO-18.)*

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

Production Interval _____



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INVOICE DATE	INVOICE NO.
08/31/04	00192520

CONSOLIDATED OIL WELL SERVICES
3667 PAYSHERE CIRCLE
CHICAGO IL 60674

TERMS: Net 30 Days
A Finance Charge computed at 1%
per month (annual percentage rate of
12%) will be added to balances over
30 days.

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JONES GAS CORPORATION
P.O. BOX 970
WICHITA KS 67201-0970

PLEASE REFER TO THIS ACCOUNT NUMBER WHEN MAKING INQUIRIES

ACCOUNT NO.	P.O. NO.	LOCATION	LEASE AND WELL NO.	DATE OF JOB	JOB TICKET NO.		
4004	0701	35	H. McDANIEL B-2	08/30/2004	1479		
ITEM NUMBER			DESCRIPTION	UNITS	UNIT PRICE	UNIT MEAS	EXTENDED PRICE
5401			CEMENT PUMPER	1.0000	710.0000	EA	710.00
5406			MILEAGE CHARGE	30.0000	2.3500	EA	70.50
5609			MISC PUMP CEMENT TRUCK	3.0000	130.0000	HR	390.00
1126A			THICK SET CEMENT	175.0000	11.8500	SK	2073.75
1107			FLO-SEAL (25#)	2.0000	40.0000	SK	80.00
1118			PREMIUM GEL	2.0000	12.4000	SK	24.80
1111A			SODIUM METASILICATE	50.0000	1.4000	LB	70.00
5502C			80 VACUUM TRUCK (CEMENT)	6.0000	78.0000	HR	468.00
5502C			80 VACUUM TRUCK (CEMENT)	8.0000	78.0000	HR	624.00
1123			CITY WATER	6.0000	11.5000	EA	69.00
4404			4 1/2" RUBBER PLUG	1.0000	35.0000	EA	35.00
5407A			TON MILEAGE DELIVERY	1.0000	245.3100	MI	245.31

GROSS INVOICE
4860.36

TAX
124.69

ORIGINAL INVOICE

PLEASE PAY

4985.05

CONSOLIDATED OIL WELL SERVICES, INC.
 211 W. 14TH STREET, CHANUTE, KS 66720
 620-431-9210 OR 800-467-8676

TICKET NUMBER **1479**
 LOCATION Europeka
 FOREMAN Brad Butler

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
8-30-04	4004	H. M. Daniel B #2	32	31	15E	Montgomery
CUSTOMER			TRUCK #	DRIVER	TRUCK #	DRIVER
MAILING ADDRESS			446	Rick		
CITY			442	Anthony		
STATE			434	Jim		
ZIP CODE			436	Ed		

Jones Gas Corp.
 P.O. Box 970
 Wichita, KS 67201-0970

JOB TYPE Logstring HOLE SIZE 6 7/8" HOLE DEPTH 1405' CASING SIZE & WEIGHT 4 1/2" - 10.5 lb
 CASING DEPTH 1400' DRILL PIPE PBTD 1398' OTHER
 SLURRY WEIGHT 132 SLURRY VOL 50 Bbl WATER gal/sk CEMENT LEFT IN CASING 2'
 DISPLACEMENT 22 1/4 Bbls DISPLACEMENT PSI 700 PSI 1100 Kontrol Plug RATE 4 BPM - 3 BPM

REMARKS: Safety Meeting - Rig up to Drill Pipe - Pumped 65 Bbls City water To Kill Gas on Well.
Standby while Pulling Drill Pipe out of well to Log hole.
Rig up to 4 1/2" casing, break circulation with fresh water. Pumped 10 Bbl Gel Flush 5 Bbl water,
5 Bbl Metasilicate Preflush, 10 Bbl Dyewater, Mixed 175 sks Thickset cement w/ 13" Floccs at 13 1/2 lb/sk.
Shut down - washout pump lines - Release Plug - Displace Plug with 22 1/4 Bbls water at 3 BPM.
Final pumping at 700 PSI - Pumped Plug to 1100 PSI, wait 2 min - Release Pressure.
Flocc Held - close casing in with O.P.S.L. - Good cement returns to surface w/ 11 Bbl slurry.
Job complete - Tear down

"Thank you"

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	710.00	710.00
5406	30 miles	MILEAGE	2.35	70.50
5609	3 Hrs	Pump charge > Kill Well - Standby	130.00	390.00
1126 A	175 sks	Thickset cement	11.85	2073.75
1107	2 sks	Floccs 1/3 lb/sk	40.00	80.00
1118	2 sks	Gel (Flush Ahead)	12.40	24.80
1111 A	50 lbs	Metasilicate Preflush	1.40 lb	70.00
5502 C	6 Hrs	80 Bbl VAC Truck	78.00	468.00
5502 C	8 Hrs	80 Bbl VAC Truck	78.00	624.00
1123	6000 Gals	City water	11.50 per 1000	69.00
4404	1	4 1/2" Top Rubber Plug	35.00	35.00
5407 A	9.62 Tons	30 miles - Bulk Truck	26.85	245.31
AUTHORIZATION			SALES TAX	124.69
TITLE			ESTIMATED TOTAL	4985.09
DATE			5.3%	

192520

Invoice

Invoice Number:
083004-R1-132

Invoice Date:
Aug 30, 2004

Page:
1

Well Refined Drilling Company, Inc.
4270 Gray Road
Thayer, KS 66776

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KCC WICHITA

Voice: 620-763-2619
Fax: 620-763-2065

Sold To:
Jones Gas Corporation
PO Box 970
Wichita, KS 67201-0970

Ship to:

Customer ID	Customer PO	Payment Terms	
JGC	H McDaniel B 2	C.O.D.	
Sales Rep ID	Shipping Method	Ship Date	Due Date
	Rig 1		8/30/04

Quantity	Item	Description	Unit Price	Extension
1,405.00	DRI-1	API # 15-125-30596-0000 S32, T31, R15 of Montgomery County Spud Date: 8/27/04 Well Drilling (feet) 6 3/4"	6.50	9,132.50
4.00	PC	Portland Cement	10.00	40.00

Subtotal 9,172.50
Sales Tax
Total Invoice Amount 9,172.50
Payment/Credit Applied
TOTAL 9,172.50

Check/Credit Memo No:

Invoices 30 days overdue are subject to finance charges of 1.5% (18% APR).

Well Refined Drilling Company, Inc.

4270 Gray Road - Thayer, KS 66776

Contractor License # 33072 - FEIN # 48-1248553

620-763-2619/Home; 620-432-6270/Jeff's Pocket; 620-423-0802/Truck; 620-763-2065/FAX

Rig #: 1	S 32 T 31 R 15
API #: 15-125-30596-000	Location SW, NE
Operator: Jones Gas Corporation	County: Montgomery
Address: PO Box 970	



			Gas Tests			
Well #:	Lease Name:		Depth	Oz.	Orifice	flow - MCF
2	H. McDaniel B		729	10"	1/4"	5.32
Location: 1980 ft. from (N / S) Line			754	10"	1/4"	5.32
1980 ft. from (E / W) Line			879	7.5"	1/4"	4.45
Spud Date: 8/27/2004			884	14"	1/4"	6.33
Date Completed: 8/30/2004 TD: 1405			979	2.5"	1/2"	9.77
Geologist:			1004	9"	3/4"	42.5
Casing Record	Surface	Production	1029	11"	3/4"	47.2
Hole Size	12 1/4"	6 3/4"	1054	9"	3/4"	42.5
Casing Size	8 5/8"		1091	9.5"	3/4"	43.65
Weight			1154	8"	3/4"	40
Setting Depth	20' 6"		1179	5.5"	1"	60.5
Cement Type	Portland		1204	6.5"	1"	65.8
Sacks	4		1214	2#	1 1/2"	527
Feet of Casing	20' 6"		1229		Est.	1.5 Million
Rig Time	Work Performed					

Well Log

Top	Bottom	Formation	Top	Bottom	Formation	Top	Bottom	Formation
0	1	Overburden	637	638	lime	805	819	sand
1	46	lime	638	672	shale	819	853	sandy shale
46	154	shale	672	673	coal	853	854	coal
154	171	lime	673	675	shale	854	859	shale
171	280	shale	675	705	lime	859	877	lime
280	314	sand	705	718	shale	877	884	black shale
314	331	lime	718	729	lime	884	885	lime
329		added water	729	730	shale	885	915	gray shale
331	377	shale	730	737	lime	915	919	sand
377	402	lime	737	738	shale	919	944	shale
402	427	shale	738	744	lime	944	972	Oswego lime
427	478	lime	744	761	shale	972	978	black shale
478	539	sand	754		stopped	978	979	coal
539	548	sandy shale	761	762	coal	979	1000	lime
548	560	shale	762	775	shale	1000	1005	black shale
560	570	lime	775	776	lime	1005	1014	lime
570	584	sand	776	794	laminated sand	1014	1026	shale
584	637	shale	794	805	shale	1026	1027	coal

Top	Bottom	Formation	Top	Bottom	Formation	Top	Bottom	Formation
1027	1028	shale	1383	1405	Mississippi			
1028	1030	lime	1405		Total Depth			
1030	1045	shale						
1045	1047	lime						
1047	1049	shale						
1049	1050	coal						
1050	1087	shale						
1084	1085	coal						
1087	1089	coal						
1089	1123	shale						
1123	1124	coal						
1124	1136	shale						
1136	1137	sand						
1136	1137	oil odor						
1137	1146	shale						
1146	1148	coal						
1148	1154	shale						
1154	1160	sand						
1154	1160	oil odor						
1160	1174	shale						
1174	1175	coal						
1175	1189	shale						
1189	1190	coal						
1190	1194	dark shale						
1194	1229	sandy shale/sand						
1204	1211	odor						
1224	1229	soft wet						
1229	1275	sand						
1275	1278	sandy shale						
1278	1339	sand						
1339	1341	shale						
1341	1357	sand						
1357	1373	shale						
1373	1374	coal						
1374	1383	shale						

Notes:

04LH-083004-R1-132-H. McDaniel B 2- Jones Gas

Keep Drilling - We're Willing!!

DEAN E. SEEBER

Petroleum Geologist

101 S. Star
El Dorado, KS 67042

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GEOLOGICAL REPORT

H. McDaniel B #2
C SW NE Sec 32-T31S-R15E
Montgomery County, KS
API 15-125-30566-00-00

Operator: Jones Gas Corporation 32654
Contractor: Well Refined Drilling Co. 33072
Commenced: 8/28/04
Completed: 8/30/04
Surface Casing: 8 5/8
Production Casing: 4 1/2 @ 1400
Ground Level Elevation: 930

Formation Log Tops

(note all log tops are 5' to 6' lower than driller's measurements)

Mulberry	858	+72
Pawnee	864	+66
Lexington	886	+44
Oswego	950	-20
Summit	978	-48
Mulky	1006	-76
Bevier	1032	-102
Crowburg	1054	-124
Fleming	1094	-164
Weir	1177	-247
Bartlesville	1205	-275
Rowe & Riverton	absent	
Mississippi	1394	-464
RTD	1410.9	-480

Major Zones of Interest

(Note: All gas tests have been lowered 5' from driller's measurement to more accurately indicate interval tested on open hole electric log.)

Gas Test	@ 734 ¼"ck 10oz 5.32mcf
	@ 759 ¼"ck 10oz 5.32mcf
Mulberry	@ 884 ¼"ck 7.5oz 4.45mcf
Lexington	@ 889 ¼"ck 10oz 5.32mcf

Lexington 886 – 888

Shale, black, carbonaceous, no visible gas.

Oswego 962-970

Limestone, tax, fossiliferous, light to fair odor, poor porosity, slight show of gas.

Summit 978 – 987

Shale, black, carbonaceous, more so near base.

Gas Test	@ 985 ½"ck 2.5oz 9.72mcf
----------	--------------------------

Mulky 1006 – 1011

Shale, black, carbonaceous, pyritic, trace of coal, all popping gas.

Gas Test	@ 1009 ¾"ck 9oz 42.5mcf
Gas Increase	32mcf

Bevier 1032 – 1033

Coal, black, pyritic.

Gas Test	@ 1034 ¾"ck 11oz 47.2mcf
Gas Increase	5.2mcf

Crowburg 1054 – 1056

Coal, black, pyritic, some gas show.

Gas Test	@ 1059 ¾"ck 9oz 42.5mcf
Gas Decrease	5.2mcf

Fleming 1094 – 1095.5

Coal, black, show of gas.

Gas Test @ 1096 $\frac{3}{4}$ "ck 9.5oz 43.7mcf
Gas Increase 1.2mcf

'Upper' Weir 1153 – 1155

Coal, black, pyritic, show of gas.

Gas Test @ 1159 $\frac{3}{4}$ "ck 8oz 40mcf

Weir 1177 – 1181

Shale, black, carbonaceous with some coal, show of gas.

Gas Test @ 1179 1"ck 5.5oz 60.5mcf
Gas Increase 20.5mcf

Bartlesville 1205 – 1209

Sandstone, light tan, fine grained, friable, good porosity, good stain.

Gas Test @ 1209 1"ck 6.5oz 65.8mcf
Gas Increase 5.3mcf

1209 – 1219

Sandstone, buff, fine grained, micaceous, good stain with siltstone, grey.

Gas Test @ 1219 1 $\frac{1}{2}$ "ck 2lb 527mcf

1219 – 1229

Sandstone, as above, good gas odor, good stain.

Gas Test @ 1229 – Too much gas to test with orifice tester
Estimated 1,000 mcf

1229 – 1332

Samples hard to catch due to velocity of flow. Samples caught all sand, showing some gas to 1309.

1309 – 1332

Sand became medium grained and much lighter in color, no gas show, probable water.

Mississippi 1394 – 1410.9

Chert, white, grey-white, tripolitic, very spotty show of live oil in good leached porosity.

Summary

Due to the good open flow tests in the Mulky, Weir and Bartlesville, 4½" casing was run to 1400 and cemented.

Yours sincerely,



Dean E. Seeber
Petroleum Geologist

