

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

Form ACO-1  
September 1999  
Form Must Be Typed

Operator: License # 5474  
Name: NORTHERN LIGHTS OIL CO., LC  
Address: P.O. BOX 164  
City/State/Zip: ANDOVER, KS 67002  
Purchaser: NCRA  
Operator Contact Person: Kurt Smith  
Phone: (316) 733-1515  
Contractor: Name: MALLARD JV  
License: 4958  
Wellsite Geologist: JEFF CHRISTIAN

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. \_\_\_\_\_

8.6.04 8.9.04 8.13.04  
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 065-22993-0000  
County: GRAHAM  
ne se ne sw sw sw sw sw sw sw sw sw  
Sec. 11 Twp. 6S S. R. 22  East  West  
1680 feet from S  (circle one) Line of Section  
330 feet from  (circle one) E W (circle one) Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
(circle one)  NE  SE  NW  SW  
Lease Name: Henery Well #: 1  
Field Name: marie

Producing Formation: LKC  
Elevation: Ground: 2223 Kelly Bushing: 2228  
Total Depth: 3731 Plug Back Total Depth: 3728  
Amount of Surface Pipe Set and Cemented at 264 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set 1890 Feet  
 Alternate II completion, cement circulated from 1890  
feet depth to surface w/ 300 sx cmt.

**Drilling Fluid Management Plan**  
(Data must be collected from the Reserve Pit) ALTI WITH 4-24-07  
Chloride content 3000 ppm Fluid volume 2000 bbls  
Dewatering method used Evaporate and Backfill  
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: MANAGING PARTNER Date: 9-10-4  
Subscribed and sworn to before me this 10<sup>th</sup> day of SEPTEMBER, 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

Operator Name: NORTHERN LIGHTS OIL CO., LC Lease Name: Henery Well #: 1  
 Sec. 11 Twp. 6S S. R. 22 East  West County: GRAHAM

**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 <i>(Attach Additional Sheets)</i>	<input checked="" type="checkbox"/> Yes	No	Log	Formation (Top), Depth and Datum	Sample
Samples Sent to Geological Survey	<input checked="" type="checkbox"/> Yes	No	Name	Top	Datum
Cores Taken	Yes	<input checked="" type="checkbox"/> No	Anhydrite	1883	+345
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes	No	LKC	3463	-1235
List All E. Logs Run:			BKC	3654	-1426
RAG			Cong Sand	3704	-1476

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	28#	264	common	180	3%gel 2%cc
Production	7 7/8	5 1/2	14.5	3728	EA2	150	--

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
		Amount	Kind	
4	3494-98	250 g MCA	KCC	3498
4	3462-66	250 g MCA	SEP 10 2004	3466
			CONFIDENTIAL	

TUBING RECORD		Size	Set At	Packer At	Liner Run	Yes	<input checked="" type="checkbox"/> No
		2 7/8	3525				
Date of First, Resumed Production, SWD or Enhr.			Producing Method				
9-10-2004			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		
	100						

Disposition of Gas:  Vented  Sold  Used on Lease  Open Hole  Perf.  Dually Comp.  Commingled 3462-3498  
*(If vented, Sumit ACO-18.)*  Other (Specify) \_\_\_\_\_

**JOB LOG:**

**SWIFT Services, Inc.**

DATE 8-13-04 PAGE NO. 9

CUSTOMER **NORTHKAW LIGHTS** WELL NO. **#1** LEASE **HENRY** JOB TYPE **5'2 2-STAGE LONGSTROKE** TICKET NO. **7130**

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL)(GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1430							ON LOCATION
	1630							START 5'2" CASING IN WELL
								TD-3730 SET @ 3727
								TD-3728 5'2" / FT 14
								ST-13.93
								ESTIMATEDS 3, 4, 5, 6, 7, 8, 9, 10, 14, 42
								CMT BSJS-15, 43
								SEP 20 2004
								RECEIVED
								KCC WICHITA
	1825							DROP BALL - CIRCULATE ROTATE
	1900	6	12			450		PUMP 500 GAL MUDFLUSH "
	1902	6	20			450		PUMP 20 BBLs KCL FLUSH "
	1910	5	36			350		MIX 150 SKS EA-2 CMT "
	1919							WASH OUT PUMP - LOWES
	1920							RELEASE D.V. - L.D PLUG
	1922	6 1/2	0					DISPLACE PLUG "
		6 1/2	80			700		SHUT OFF ROTATE
	1935	6	90.6			1750		PLUG DOWN - PSE UP WITH 2 PLUG
	1937					OK		RELEASE PSE - HEAD
	1940							DROP D.V. OPENING PLUG
	2000					1100		OPEN D.V. TOOL - CIRCULATE 4 HRS
	2330	6	20			300		PUMP 20 BBLs KCL FLUSH
	2338		4 1/2					PLUG RH-MH
	2345	6 3/4	166			300		MIX 300 SKS SMC
	0012	6						WASH OUT PUMP - LOWES
	0014							RELEASE D.V. CLOSING PLUG
	0015	6 1/2	0					DISPLACE PLUG
	0020	4	46.1			1750		PLUG DOWN - PSE UP CLOSE D.V. TOOL
	0022					OK		RELEASE PSE - HEAD
								CIRCULATED 50 SKS CMT TO PSE
								WASH-UP
	0130							JOB COMPLETE

THANK YOU  
WAYNE, JUSTY, SHANE, BRETT, MATT

# ALLIED CEMENTING CO., INC. 13093

Federal Tax I.D.# 48-0727860

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

SERVICE POINT:  
Ness City

DATE <u>8-6-04</u>	SEC. <u>11</u>	TWP. <u>6</u>	RANGE <u>22</u>	CALLED OUT <u>4:00pm</u>	ON LOCATION <u>7:15pm</u>	JOB START <u>9:10pm</u>	JOB FINISH <u>9:30pm</u>
LEASE <u>Henry</u>		WELL # <u>1</u>		LOCATION <u>Bogue 7N 3W 5 1/4 N.W.S.</u>		COUNTY <u>Androm</u>	STATE <u>KS</u>
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR Mallard Drily  
 TYPE OF JOB Surface  
 HOLE SIZE 12 1/4 T.D. 265  
 CASING SIZE 8 5/8 DEPTH 264  
 TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_  
 DRILL PIPE \_\_\_\_\_ DEPTH \_\_\_\_\_  
 TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_  
 PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_  
 MEAS. LINE \_\_\_\_\_ SHOE JOINT \_\_\_\_\_  
 CEMENT LEFT IN CSG. 15  
 PERFS. \_\_\_\_\_  
 DISPLACEMENT 15 1/2

OWNER \_\_\_\_\_  
 CEMENT AMOUNT ORDERED 180 sx Cem 3% cc 2% del.  

COMMON	<u>180</u>	@	<u>7.85</u>	<u>1413.00</u>
POZMIX		@		
GEL	<u>3</u>	@	<u>11.00</u>	<u>33.00</u>
CHLORIDE	<u>5</u>	@	<u>33.00</u>	<u>165.00</u>
		@		
		@		
		@		
		@		
HANDLING	<u>188</u>	@	<u>1.35</u>	<u>253.80</u>
MILEAGE	<u>188 x .05 x 88</u>			<u>827.20</u>

RECEIVED  
SEP 20 2004

PUMP TRUCK CEMENTER Mark KCC WICHITA  
 # 224 HELPER J. Waybans  
 BULK TRUCK  
 # 260 DRIVER Steve  
 BULK TRUCK  
 # \_\_\_\_\_ DRIVER \_\_\_\_\_

TOTAL ~~1652.00~~  
2692.00

REMARKS:

SERVICE

Circ 8 5/8 cas w/ aug pump  
Mix 180 sx Cem 3% cc 2% del.  
Deep plug w/ 15 1/2 BBL.  
Cemt did Circ  
Cemt in Cellar  
Thanks

DEPTH OF JOB 264  
 PUMP TRUCK CHARGE \_\_\_\_\_ 570.00  
 EXTRA FOOTAGE \_\_\_\_\_ @ \_\_\_\_\_  
 MILEAGE 88 @ 4.00 352.00  
 PLUG Top wood @ 55.00  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_

TOTAL 977.00

CHARGE TO: Northern Lights  
 STREET \_\_\_\_\_  
 CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

FLOAT EQUIPMENT

\_\_\_\_\_  
 @ \_\_\_\_\_  
 @ \_\_\_\_\_  
 @ \_\_\_\_\_  
 @ \_\_\_\_\_  
 @ \_\_\_\_\_

TOTAL \_\_\_\_\_

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 Lavon R Urban

LAVON R. URBAN  
 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.