

CONFIDENTIAL

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

ORIGINAL

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: KURT SMITH

API No. 15 - 101-21860-0000
County: LANE
SW - SW - NE - Sec. 27 Twp. 17 S. R. 27 East West
2310 feet from S (N) (circle one) Line of Section
2510 feet from (E) W (circle one) Line of Section

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)

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

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. _____
2-21-05 3-1-05 3-1-05
Spud Date or 2-21-05 3-1-05 3-1-05
Recompletion Date Date Reached TD Completion Date or
Recompletion Date

Producing Formation: LKC, CHEROKEE
Elevation: Ground: 2636 Kelly Bushing: 2641
Total Depth: 4574 Plug Back Total Depth: 4570
Amount of Surface Pipe Set and Cemented at 359 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set 2054 Feet
If Alternate II completion, cement circulated from 2054
feet depth to Surface w/ 240 sx cmt.

Drilling Fluid Management Plan ALT II W/WH
(Data must be collected from the Reserve Pit) 4-6-07
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: 4-6-05
Subscribed and sworn to before me this 6th day of APRIL,
2005.
Notary Public: [Signature]
Date Commission Expires: _____



KCC Office Use ONLY
YES 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: SARAH Well #: #1
 Sec. 27 Twp. 17 S. R. 27 East West County: LANE

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	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum Sample Name Top Datum ANHYDRITE 2041 +600 LKC 3939 -1295 FT Scott 4446 -1805 CHER SH. 4470 -1828
Samples Sent to Geological Survey	<input checked="" type="checkbox"/> Yes No	
Cores Taken	Yes <input checked="" type="checkbox"/> No	
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes No	
List All E. Logs Run: RAG		

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#	359	common	200	3%gel 2%cc
Production	7 7/8	5 1/2	15.5	4570	EA2	175	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				KCC APR 06 2005

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	4520-4526	250 g MCA		4520
4	4134-4138	250 g MCA		4134
		1000 g NEFE		4134

TUBING RECORD		Size	Set At	Packer At	Liner Run	Yes	<input checked="" type="checkbox"/> No
		2 7/8	4515				
Date of First, Resumed Production, SWD or Enhr. 4-5-05			Producing Method				
			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	--	---		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) _____



CHARGE TO:
NORTHERN LIGHTS
 ADDRESS
 CITY, STATE, ZIP CODE

TICKET

No 7669

PAGE 1 OF 2

SERVICE LOCATIONS 1. NESS CITY, KS	WELL/PROJECT NO. # 1	LEASE SARAH	COUNTY/PARISH LAJE	STATE KS	CITY NESS CITY	DATE 3-2-05	OWNER SAME
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR MALLARD DRILG.	RIG NAME/NO.	SHIPPED VIA CT	DELIVERED TO LOCATION	ORDER NO.	
3.	WELL TYPE OIL	WELL CATEGORY DEVELOPMENT	JOB PURPOSE 5 1/2" 2-STAGE LONGSTROKE	WELL PERMIT NO.	WELL LOCATION DIGHTON, KS - 9E, 4 1/2 W		
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

APR 06 2005
CONFIDENTIAL

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UNIT PRICE		AMOUNT
		LOC	ACCT	DF		QTY.	U/M	QTY.	U/M	
575		1			MILEAGE # 104	40	ME	3.00		120.00
579		1			PUMP SERVICE 2-STAGE	1	JOB	1600.00	4570 FT	1600.00
580		1			ADDITIONAL HOURS - CIRCULATION	1	HRS	100.00		100.00
221		1			LIGUID KCL RECEIVED	4	GAL	19.00		76.00
281		1			MUDFLUSH APR 07 2005	500	GAL	65		325.00
402		1			CENTRALISERS KCC WICHITA	10	EA	55.00	5 1/2"	550.00
403		1			CEMENT BASKETS	2	EA	140.00		280.00
407		1			2 1/2 SET FLOAT SHOE W/AUTO FILL	1	EA	230.00		230.00
408		1			D.V. TOOL & PLUG SET TOPST #59	1	EA	2300.00	2054 FT	2300.00
417		1			D.V. LATCH DOWN PLUG - BAFFLE	1	EA	200.00		200.00
419		1			ROTATING HEAD RENTAL	1	JOB	200.00		200.00

LEGAL TERMS: Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

[Signature]
 DATE SIGNED **3-1-05** TIME SIGNED **2200** AM P.M.

REMIT PAYMENT TO:
SWIFT SERVICES, INC.
P.O. BOX 466
NESS CITY, KS 67560
785-798-2300

SURVEY	AGREE	UN-DECIDED	DIS-AGREE	PAGE TOTAL	AMOUNT
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				#1	5981.00
WE UNDERSTOOD AND MET YOUR NEEDS?				#2	5707.03
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				subtotal	11,688.03
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				TAX	463.86
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				TOTAL	12,151.89
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND					

CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES The customer hereby acknowledges receipt of the materials and services listed on this ticket.

SWIFT OPERATOR
Wayne Wilson

APPROVAL

Thank You!

JOB LOG.

SWIFT Services, Inc.

DATE 3-2-05 PAGE NO.

CUSTOMER **NORTHERN LIGHTS** WELL NO. # **1** LEASE **SARAH** JOB TYPE **5 1/2" 2-STAGE LOGGING** TICKET NO. **7669**

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL/GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	2100							ON LOCATION 3-1-05
	0200							START 5 1/2" CASING IN WELL
								TD - 4574' SETe 4570'
								TP - 4570.68' 5 1/2" / FT 15.5
								ST - 11.16'
								CENTRALIZERS - 2, 4, 6, 8, 9, 10, 11, 12, 57, 79
								CMT BSKTS - 58, 80
								DV TOOL = 2054 TOP JT # 59
	0415							DROP BALL - CIRCULATE ROTATE
	0505	6	12			450		PUMP 500 GAL MUD FLUSH "
	0507	6	20			450		PUMP 20 BBLs KCL - FLUSH "
	0514	5 1/2	42			400		MIX CEMENT - 175 SLS EA-2 W/ADDITIVES "
	0522							WASH OUT PUMP - LEJES
	0524							RELEASE 1ST STAGE D.V. LATCH DOWN PLUG
	0525	6 1/2	0					DISPLACE PLUG "
		6 1/2	98			800		SHUT OFF ROTATE
	0542	6	108.5			1750		PLUG DOWN - PSE UP LATCH IN PLUG - PSE DROP
	0545							OK RELEASE PSE - HELD DOES NOT HOLD - PSE DROP
	0550							TO 900 PSE - HOLDING AFTER RESE TO 1100 PSE ^{DROP}
	0800							DROP D.V. OPENING PLUG ^{700 PSE}
	0825					900		OPEN D.V. TOOL - CIRCULATE ^{5 1/2"}
	0900	6	20			350		PUMP 20 BBLs KCL - FLUSH
	0905		4 1/2					PLUG RH - MH
	0910	6 1/2	133			300		MIX CEMENT 240 SLS SMD W/ADDITIVES
	0928							WASH OUT PUMP - LEJES
	0929							RELEASE D.V. CLOSING PLUG
	0932	6	0					DISPLACE PLUG
	0940	5	48.9			1750		PLUG DOWN - PSE UP CLOSE DV TOOL
	0942							OK RELEASE PSE - HELD
								CIRCULATED 30 SLS CEMENT TO ACT
								WASH-UP
	1030							JOB COMPLETE THANK YOU
								WAVE, DUSTY, REST

RECEIVED
APR 07 2005
KCC WICHITA

KCC
APR 06 2005
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ALLIED CEMENTING CO., INC.

20638 ✓

Federal Tax I.D. # ~~48-247868~~

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

SERVICE POINT:
Great Bend.

DATE <u>2-21-05</u>	SEC. <u>27</u>	TWP. <u>17</u>	RANGE <u>27 W</u>	CALLED OUT <u>1:00 pm</u>	ON LOCATION <u>3:00 pm</u>	JOB START <u>4:30 pm</u>	JOB FINISH <u>7:00 pm</u>
LEASE <u>Sarah</u>	WELL # <u># 1</u>	LOCATION <u>Alamato Rd. (m/m 95) -</u>		COUNTY <u>lane</u>	STATE <u>KS</u>		
OLD OR NEW (Circle one) <u>NEW</u>			<u>4 north-East thru farm yard 1/4 mile</u>				

CONTRACTOR Mallard Oil

TYPE OF JOB Surface Pipe

HOLE SIZE 12 1/4 T.D. 359

CASING SIZE 8 5/8 DEPTH 359

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. approx 10'

PERFS. _____

DISPLACEMENT 22 BBL's

OWNER Northern Lights Oil Co.

CEMENT

AMOUNT ORDERED 200 x Common

390 c/c & 290 gel

COMMON	<u>200 mt</u>	@	<u>8.30</u>	<u>1660.00</u>
POZMIX		@		
GEL	<u>4.24</u>	@	<u>13.00</u>	<u>52.00</u>
CHLORIDE	<u>6 mt</u>	@	<u>36.00</u>	<u>216.00</u>
ASC		@		

EQUIPMENT KCC

PUMP TRUCK # 181 CEMENTER Jack HELPER Don

BULK TRUCK # 342 DRIVER Maury

BULK TRUCK # _____ DRIVER _____

RECEIVED

APR 07 2005

KCC WICHITA

HANDLING	<u>210 mt</u>	@	<u>1.50</u>	<u>315.00</u>
MILEAGE	<u>210 mt SS</u>	<u>ZC</u>		<u>300.30</u>
TOTAL				<u>2543.30</u>

REMARKS:

Ran 12 jbs of 8 5/8 csg. cement with 200 x cement - Displace plug with 22 BBL's of fresh water.

Cement Did Cure.

Thanks

SERVICE

DEPTH OF JOB				
PUMP TRUCK CHARGE				<u>625.00</u>
EXTRA FOOTAGE	<u>59</u>	@	<u>.55</u>	<u>32.45</u>
MILEAGE	<u>26</u>	@	<u>4.50</u>	<u>117.00</u>
MANIFOLD		@		
TOTAL				<u>774.45</u>

CHARGE TO: Northern Lights Oil Co.

STREET P.O. Box 164

CITY Andover STATE KS ZIP 67002

PLUG & FLOAT EQUIPMENT

<u>1- 8 5/8 Wood</u>	@	<u>55.00</u>	<u>55.00</u>
	@		
	@		
	@		
	@		
TOTAL <u>55.00</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 Ladon R Urban

LADON R URBAN

PRINTED NAME

0632
15-2934

359

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.