

FORM MUST BE TYPED

**CONFIDENTIAL**

SIDE ONE

STATE CORPORATION COMMISSION OF KANSAS  
OIL & GAS CONSERVATION DIVISION  
WELL COMPLETION FORM  
ACO-1 WELL HISTORY  
DESCRIPTION OF WELL AND LEASE

API NO. 15- 109-20712 -00-00 **ORIGINAL**

County LOGAN  
NE - SE - NE Sec 22 Twp. 12S Rge 33 W

Operator: License # 30606

1541 Feet from S/N (circle one) Line of Section

Name: Murfin Drilling Co., Inc.

410 Feet from E/W (circle one) Line of Section

Address 250 N. Water, Suite 300 **KCC**

Footages Calculated from Nearest Outside Section Corner:  
NE, SE, NW or SW (circle one)

City/State/Zip Wichita, KS 67202 **NOV 03 2003**

Lease Name BEAGLEY Well # 1-22

Purchaser: \_\_\_\_\_

Field Name OWEN EAST

Operator Contact Person Tom W. Nichols **CONFIDENTIAL**

Producing Formation LKC.CHER.

Phone (316) 267 - 3241

Elevation: Ground 3078 KB 3083

Contractor: Name: Murfin Drilling Co., Inc. **RECEIVED**

Total Depth 4780' PBTB 4752'

License: 30606 **NOV 06 2003**

Amount of Surface Pipe Set and Cemented at 210 Feet

Wellsite Geologist: Raul Brito **KCC WICHITA**

Multiple Stage Cementing Collar Used?  Yes  No

Designate Type of completion  
 New Well  Re-Entry  Workover

If yes, show depth set 2584' Feet

Oil  SWD  SIOW  Temp. Abd.  
 Gas  ENHR  SIGW  
 Dry  Other (Core, WSW, Expl., Cathodic, etc)

If Alternate II completion, cement circulated from surf feet  
depth to 2584 w/ 260 sx cmt.

If Workover/Re-Entry: old well info as follows:

Drilling Fluid Management Plan ALT II W/H/W  
(Data must be collected from the Reserve Pit) 4-9-07

Operator: \_\_\_\_\_

Chloride content \_\_\_\_\_ ppm Fluid volume 2500 bbls

Well Name: \_\_\_\_\_

Dewatering method used Evaporation

Comp. Date \_\_\_\_\_ Old Total Depth \_\_\_\_\_

Location of fluid disposal if hauled offsite: \_\_\_\_\_

Deepening  Re-perf.  Conv. to Inj/SWD  
 Plug Back \_\_\_\_\_ PBTB  
 Commingled \_\_\_\_\_ Docket No. \_\_\_\_\_  
 Dual Completion \_\_\_\_\_ Docket No. \_\_\_\_\_  
 Other (SWD or Inj?) \_\_\_\_\_ Docket No. \_\_\_\_\_

Operator Name \_\_\_\_\_

Lease Name \_\_\_\_\_ License No. \_\_\_\_\_

9/4/03 9/16/03 10/15/03  
Spud Date Date Reached TD Completion Date

Quarter Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S Rng. \_\_\_\_\_ E/W

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 on sidetwo 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 Tom W. Nichols, Production Manager Date 2003

Subscribed and sworn to before me this 3rd day of, November 2003.

Notary Public [Signature]

Barbara J. Dodson  
Date Commission Expires 12/16/03

K.C.C. OFFICE USE ONLY  
F  Letter of Confidentiality Attached  
C  Wireline Log Received  
C  Geologist Report Received  
  
Distribution  
 KCC  SWD/Rep  NGPA  
 KGS  Plug  Other (Specify)



Operator Name Murfin Drilling Co. Inc.

Lease Name BEAGLEY Well # 1-22

**CONFIDENTIAL**

Sec. 22 Twp. 12S Rge. 33 W

East  
 West

County Logan

**INSTRUCTIONS:** Show important tops and base of formations penetrated. Detail all cores. Report all drill stem 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 during test. Attach extra sheet if more space is needed. Attach copy of log.

Drill Stem Tests Taken  Yes  No  
(Attach Additional Sheets.)

Log Formation (Top), Depth and Datums Sample

Samples Sent to Geological Survey  Yes  No

Name Top Datum

Cores Taken  Yes  No

SEE ATTACHED LIST

Electric Log Run  Yes  No  
(Submit Copy.)

List all E.Log Dual Induction, Dual Comp. Porosity, Micro-resistivity, Sonic Cement Bond

**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#	210'	Comm	160sxs	3%cc,2%gel
Production	7 7/8"	5 1/2"	15.5#	4744'	AA-2Comm	155sxs	5% calset w/1100#

**ADDITIONAL CEMENTING/SQUEEZE RECORD**

Purpose:	Depth Top/Btm	Type of Cement	# Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input checked="" type="checkbox"/> Protect Csg <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone	Sur/2584'	SMD cmt	260sxs	1/4# 1 sack flo-seal @ 11.2#, 25sxs@13#

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	4605-07(Johnson Zone Cher) CIBP @4550'	250 gals MCA	4605-07
4	4256-60 J, 4200-05 H	250 gals MCA	4256-60 J

TUBING RECORD	Size 2 3/8"	Set At 4319.57'	Packer At	Liner <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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Date of First, Resumed Production, SWD or Inj 10/15/03	Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other
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Estimated Production Per 24 Hours	Oil Bbbls 130.35BO	Gas Mcf	Water Bbbls .65BW	Gas-Oil Ratio	Gravity
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Disposition of Gas:

**METHOD OF COMPLETION**

Production Interval

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

as above

**ALLIED CEMENTING CO., INC.**

P.O. BOX 31  
 RUSSELL, KS 67665  
 PH (785) 483-3887  
 FAX (785) 483-5566  
 FEDERAL TAX ID# 48-0727860

10-2-83

\*\*\*\*\*  
 \* INVOICE \*  
 \*\*\*\*\*

RECEIVED

NOV 06 2003

**CONFIDENTIAL** KCC WICHITA

**ORIGINAL**

Invoice Number: 090884

Invoice Date: 09/05/03

**KCC**

NOV 03 2003

**CONFIDENTIAL**

Sold Murfin Drilling Co.  
 To: 250 N. Water, St. #300  
 Wichita, KS  
 67202

Cust I.D.....: Murfin  
 P.O. Number...: Beagley 1-22  
 P.O. Date.....: 09/05/03 *BM*

Due Date.: 10/05/03  
 Terms....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	160.00	SKS	8.3500	1336.00	T
Gel	3.00	SKS	10.0000	30.00	T
Chloride	5.00	SKS	30.0000	150.00	T
Handling	160.00	SKS	1.1500	184.00	E
Mileage min.chq.	1.00	MILE	125.0000	125.00	E
Surface	1.00	JOB	520.0000	520.00	E
Mileage pmp trk	14.00	MILE	3.5000	49.00	E
Surface Plug	1.00	EACH	45.0000	45.00	T

All Prices Are Net, Payable 30 Days Following Date of Invoice. 1 1/2% Charged Thereafter.  
 If Account CURRENT take Discount of \$243.90  
 ONLY if paid within 30 days from Invoice Date

Subtotal: 2439.00  
 Tax.....: 98.34  
 Payments: 0.00  
 Total....: 2537.34  
243.90  
**2293.44**

No.	Amount	Description
1138	2537.34	Cement S. Csg.
	(243.90)	

# CONFIDENTIAL ALLIED CEMENTING CO., INC.

11124  
ORIGINAL

Federal Tax I.D.

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

SERVICE POINT:  
Oakley

DATE <u>9-3-03</u>	SEC. <u>22</u>	TWP. <u>12<sup>s</sup></u>	RANGE <u>33<sup>w</sup></u>	CALLED OUT	ON LOCATION <u>8:00 PM</u>	JOB START <u>10:00 PM</u>	JOB FINISH <u>10:15 PM</u>
LEASE <u>Beagley</u>	WELL # <u>1-22</u>		LOCATION <u>Oakley 7W-7<sup>ths</sup>-W.S.</u>		COUNTY <u>Logan</u>	STATE <u>Kan</u>	
OLD OR <input checked="" type="radio"/> NEW (Circle one)				<b>KCC</b>			

NOV 03 2003

CONTRACTOR MurFin Dols Co #24

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 210'

CASING SIZE 8 5/8 DEPTH 210'

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG. 15'

PERFS.

DISPLACEMENT 12 3/4 BBL

EQUIPMENT

PUMP TRUCK CEMENTER Walt

# 300 HELPER Wayne

BULK TRUCK

# 212 DRIVER Lannie

BULK TRUCK

# DRIVER

OWNER Same

CEMENT

AMOUNT ORDERED 160 SKS COM

3% ACC - 2% Ce 1

COMMON	<u>160 SKS</u>	@	<u>8<sup>35</sup></u>	<u>1,336<sup>00</sup></u>
POZMIX		@		
GEL	<u>3 SKS</u>	@	<u>10<sup>00</sup></u>	<u>30<sup>00</sup></u>
CHLORIDE	<u>5 SKS</u>	@	<u>30<sup>00</sup></u>	<u>150<sup>00</sup></u>
		@		
		@		
		@		
		@		
HANDLING	<u>160 SKS</u>	@	<u>115</u>	<u>184<sup>00</sup></u>
MILEAGE	<u>5 ft per SK/mile</u>			<u>112<sup>00</sup></u>
				TOTAL <u>1,812<sup>00</sup></u>

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RECEIVED  
NOV 06 2003  
KCC WICHITA

REMARKS:

Cement Did Cure

(in Cellar)

[Signature]

SERVICE

DEPTH OF JOB

PUMP TRUCK CHARGE 520<sup>00</sup>

EXTRA FOOTAGE @

MILEAGE 14 miles @ 3.50 49<sup>00</sup>

PLUG 8 5/8 Surface @ 45<sup>00</sup>

TOTAL 614<sup>00</sup>

CHARGE TO: MurFin Dols Co, Inc

STREET \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

FLOAT EQUIPMENT

@ \_\_\_\_\_

@ \_\_\_\_\_

@ \_\_\_\_\_

@ \_\_\_\_\_

@ \_\_\_\_\_

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.

TOTAL \_\_\_\_\_

TAX \_\_\_\_\_

TOTAL CHARGE \_\_\_\_\_

DISCOUNT \_\_\_\_\_ IF PAID IN 30 DAYS

SIGNATURE [Signature]

Anthony Martin  
PRINTED NAME



CHARGE TO: *Murphy Drilling Co.*  
 ADDRESS:  
 CITY, STATE, ZIP CODE: *Colby, KS*

TICKET No: 5717  
 PAGE 1 OF 1

SERVICE LOCATIONS: *Hays, KS*  
 WELL/PROJECT NO.: *1-22*  
 LEASE: *Beagley*  
 COUNTY/PARISH: *LOGAN*  
 STATE: *KS*  
 CITY:  
 DATE: *9-24-03*  
 OWNER: *Same*  
 TICKET TYPE:  SERVICE  SALES  
 CONTRACTOR:  
 RIG NAME/NO.: *Murphy*  
 SHIPPED VIA: *105*  
 DELIVERED TO: *S.W. Oakley*  
 ORDER NO.:  
 WELL TYPE: *oil*  
 WELL CATEGORY: *Development*  
 JOB PURPOSE: *CMT Thru Port Collar*  
 WELL PERMIT NO.:  
 WELL LOCATION:  
 REFERRAL LOCATION:  
 INVOICE INSTRUCTIONS:

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT	
		LOC	ACCT	DF								
575					MILEAGE	60	mi			2.50	150	00
577					Pump charge	1	EA	2584	FT		750	00
330					5M Cement	260	SKS			9.75	2535	00
276					Block	71	lb			.90	63	90
581					Bulk Service charge	285				1.00	285	00
583					Drayage	849	33	T.M.		.85	721	93

**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

X *[Signature]*  
 DATE SIGNED: *9-24-03*  
 TIME SIGNED: *9:30*  
 A.M.  
 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
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				4505 83
WE UNDERSTOOD AND MET YOUR NEEDS?				
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				TAX
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				137 74
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				TOTAL
				4643 57



CONFIDENTIAL

KCC

NOV 03 2003

ORIGINAL



INVOICE NO.		Subject to Correction		FIELD ORDER 6631	
Date 9-15/9-16-03	Lease BEAGLEY	Well # 1-22	Legal 22-12S-33W		
Customer ID	County LOGAN	State KS	Station LIBERAL		
Depth 4774		Formation		Shoe Joint 22	
Casing 5 1/2		Casing Depth 4774	TD 4780	Job Type 5 1/2 L.S. (New well)	
Customer Representative BRETT Hillibrand			Treater Shawn FREDERICK		

CHARGE

MURFIN Drilling

AFE Number	PO Number	Materials Received by X <i>Brett Hillibrand</i>
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Product Code	QUANTITY	MATERIAL, EQUIPMENT and SERVICES USED	UNIT PRICE	AMOUNT	ACCOUNTING	
					CORRECTION	AMOUNT
* D205	155SK	AA-2 (common)	✓			
D203	25SK	60/40 POZ (common) 2% GEL	✓			
*	Additives 9%	5% CALSET - 10% SALT - 0.2% DEFOAMER - 0.8% FLA-322				
C195	177lb	FLA-322	✓			
C221	9/16 lb	SALT (Fine)	✓			
C243	30 lb	Defoamer	✓			
C302	1000 gal	MUD FLUSH	✓			
F292	19 ea	CMT SCRATCHERS ROTATING TYR	✓			
F101	10 ea	TURBOLIZER 5 1/2	✓			
F231	1 ea	FLAPPER INSERT VALVE 5 1/2	✓			
F191	1 ea	GUIDE Shoe Reg. 5 1/2	✓			
F261	1 ea	PORT Collar 5 1/2	✓			
F121	1 ea	BASKET 5 1/2	✓			
F143	1 ea	TOP RUBBER Plug 5 1/2	✓			
C141	4 gal	CC-1	✓			
F131	1 ea	Limit CLAMP / STOP Collar	✓			
R402	6 ea	ADDITIONAL HRS				
R701	1 ea	CMT HEAD RENTAL				
R702	1 ea	CASING SWIVEL RENTAL				
E107	100 SK	CMT SERVICE CHARGE				
E100	120 mi	UNITS 1 MILES 1 way				
E104	1008 Tm	TONS 8.4 MILES 100				
R210	1 ea	EA. 4 hrs PUMP CHARGE				
DISCOUNTED TOTAL						9,730.73
PLUS TAX						

10244 NE Hiway 61 · P.O. Box 8613 · Pratt, KS 67124-8613 · Phone (620) 672-1201 · Fax (620) 672-5383 TOTAL

ORIGINAL

As consideration, the Customer agrees:

- a) To pay ACID SERVICES, LLC in accord with the rates and terms stated in ACID SERVICES, LLC's current price list. Invoices are payable NET 30 after date of invoice. Upon Customers' default payment of Customer's account by the last day of the month following the month in which the invoice is dated, Customer agrees to pay interest thereon after default at the highest lawful contract rate applicable but never to exceed 18% per annum. In the event it becomes necessary to employ attorneys to enforce collection of said account, Customer agrees to pay all collection cost and attorney fees in the amount of the unpaid account.
- b) To defend, indemnify, release and hold harmless ACID SERVICES, LLC, its divisions, subsidiaries, parent and affiliated companies and the officers, directors, employees, agents and servants of all of them from and against any claims, liability, expenses, attorney's fees, and costs of defense to the extent permitted by law for:
1. Damage to property owned by, in the possession of, or leased by Customer, and/or the well owner (if different from Customer), including, but not limited to, surface and subsurface damage. The term "well owner" shall include working and royalty interest owners.
  2. Reservoir, formation, or well loss or damage, subsurface trespass or any action in the nature thereof.
  3. Personal injury of death or property damage ( including, but not limited to, damage to the reservoir, formation or well), or any damages whatsoever, growing out of or in any way connected with or resulting from pollution, subsurface pressure, losing control of the well and/or a well blowout or the use of radioactive material. The amount of this invoice is due and payable at ACID SERVICES, LLC, Dept. No. 1131, Tulsa, Oklahoma 74182. All terms of the Service Order with customer are incorporated herein and made a part hereof by reference.

The defense, indemnity, release and hold harmless obligations of Customer provided for in this Section b) and Section c) below shall apply to claims or liability even if caused or contributed to by ACID SERVICES, LLC's negligence, strict liability, or operated. or furnished by ACID SERVICES, LLC or any defect in the data, products, supplies, materials, or equipment of ACID SERVICES, LLC whether the preparation, design, manufacture, distribution, or marketing thereof, or from a failure to warn any person of such defect. Such defense, indemnity, release and hold harmless obligations of Customer shall not apply where the claims or liability are caused by the gross negligence or willful misconduct of ACID SERVICES, LLC. The term "ACID SERVICES, LLC" as used in said Sections b) and c) shall mean ACID SERVICES, LLC, its divisions, subsidiaries, parent and affiliated companies, and the officers, directors, employees, agents and servants of all of them.

- c) That because of the uncertainty of variable well conditions and the necessity of relying on facts and supporting services furnished by others, ACID SERVICES, LLC is unable to guarantee the effectiveness of the products, supplies, or materials, nor the results of any treatment or service, nor the accuracy of any chart interpretation, research analysis, job recommendation or other data furnished by ACID SERVICES, LLC. ACID SERVICES, LLC personnel will use their best efforts in gathering such information and their best judgment in interpreting it, but Customer agrees that ACID SERVICES, LLC shall not be liable for and Customer shall indemnify ACID SERVICES, LLC against any damages from the use of such information.
- d) That ACID SERVICES, LLC warrants only title to the products, supplies, and materials and that the same are free from defects in workmanship and materials. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED OF MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. Acid Services LLC's liability and Customer's exclusive remedy in and cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale or use of any products, supplies or materials is expressly limited to the replacement of such products, supplies or materials on their return to ACID SERVICES, LLC or, at ACID SERVICES, LLC's option, to the allowance to the Customer of credit for the cost of such items. In no event shall ACID SERVICES, LLC be liable for special, incidental, indirect, punitive or consequential damages.
- e) To waive the provisions of the Deceptive Trade Practices - Consumer Protection Act, to the extent permitted by law. We certify that the Fair Labor Standards Act of 1938, as amended, has been complied with in the production of goods and/or with respect to service furnished under this contract.
- f) That this contract shall be governed by the law of the state where services are performed or materials are furnished.
- g) That ACID SERVICES, LLC shall not be bound by any changes or modifications in this contract, except where such change or modification is made in writing by a duly authorized manager of ACID SERVICES, LLC.