

CONFIDENTIAL

ORIGINAL

FORM MUST BE TYPED

SIDE ONE

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

KCC
MAR 03 2005
CONFIDENTIAL

Operator: License # 5135
Name: John O. Farmer, Inc.
Address P.O. Box 352
City/State/Zip Russell, KS 67665

Purchaser: NCRA

Operator Contact Person: Matt Dreiling
Phone (785) 483-3144

Contractor: Name: Discovery Drilling Co., Inc.
License: 31548
Wellsite Geologist: Matt Dreiling

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: _____
Comp. Date _____ Old Total Depth _____
 Deepening Re-perf. Conv. to Inj/SWD
 Plug Back _____ PBDT
 Commingled _____ Docket No. _____
 Dual Completion _____ Docket No. _____
 Other (SWD or Inj?) _____ Docket No. _____
12-2-04 12-7-04 12-22-04
Spud Date Date Reached TD Completion Date

API NO. 15- 051-25,371-00-00

County Ellis
75' South of _____ E
- W/2 - NW - NW Sec. 5 Twp. 13S Rge. 17 X W

735 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:
NE, SE (NW) or SW (circle one)

Lease Name Schmeidler "E" Well # 1
Field Name Catherine
Producing Formation Arbuckle

Elevation: Ground 2031' KB 2039'
Total Depth 3660' PBDT 3635'

Amount of Surface Pipe Set and Cemented at 239 Feet

Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet

If Alternate II completion, cement circulated from 3653
feet depth to surface w/ 450 sx cmt.

Drilling Fluid Management Plan ALT II WHM
(Data must be collected from the Reserve Pit) 6-6-07

Chloride content 13,000 ppm Fluid volume 320 bbls
Dewatering method used allow to dry by evaporation

Location of fluid disposal if hauled offsite: _____

Operator Name NA

Lease Name _____ License No. _____

_____ 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 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 John O. Farmer III
John O. Farmer III
Title President Date 3-3-05
Subscribed and sworn to before me this 3rd day of March,
20 05.

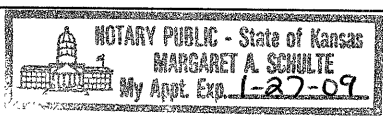
Notary Public Margaret A. Schulte
Margaret A. Schulte

Date Commission Expires _____

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)

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Form ACO-1 (7-91)



✓

SIDE TWO

Operator Name John O. Farmer, Inc. Lease Name Schmeidler "E" Well # 1
 East County Ellis
 Sec. 5 Twp. 13S Rge. 17 West

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.)
 Samples Sent to Geological Survey Yes No
 Cores Taken Yes No
 Electric Log Run Yes No
 (Submit Copy.)
 List All E.Logs Run:
 Dual Compensated Porosity Log Dual Induction Log
 Microresistivity Log

| <input checked="" type="checkbox"/> Log | Formation (Top), Depth and Datums | <input type="checkbox"/> Sample |
|---|-----------------------------------|---------------------------------|
| Name | Top | Datum |
| Anhydrite | 1263' | (+776) |
| Topeka | 3046' | (-1007) |
| Heebner | 3284' | (-1245) |
| Toronto | 3304' | (-1265) |
| Lansing/KC | 3330' | (-1291) |
| Stark | 3517' | (-1478) |
| Base/KC | 3559' | (-1520) |
| Arbuckle | 3590' | (-1551) |
| L.T.D. | 3661' | (-1622) |

| 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" | 23# | 239' | Common | 150 | 3% CC, 2% gel |
| Production | 7-7/8" | 5-1/2" | 14# | 3653' | SMDC | 330 120 | @ 11.2#/Gal. @ 13.5#/Gal. |

| ADDITIONAL CEMENTING/SQUEEZE RECORD | | | | |
|---|------------|----------------|-------------|----------------------------|
| Purpose: | Depth | Type of Cement | #Sacks Used | Type and Percent Additives |
| <input type="checkbox"/> Perforate | Top Bottom | | | |
| <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 (Amount and Kind of Material Used) | Depth |
|----------------|--|--|-------|
| 4 SPF | 3595-3601' & 3604-3607' (Arbuckle) | 500 gals. 15% MA | |

| TUBING RECORD | Size | Set At | Packer At | Liner Run |
|---------------|--------|--------|-----------|---|
| | 2-7/8" | 3631' | | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

| Date of First, Resumed Production, SWD or Inj. | Producing Method |
|--|---|
| January 18, 2005 | <input type="checkbox"/> Flowing <input checked="" 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 |
|-----------------------------------|-----------|---------|-------------|---------------|---------|
| | 13.36 | | 1.67 | | 25.9° |

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: 3595-3601' (Arbuckle)
3604-3607' (Arbuckle)



Discovery Drilling

P.O. Box 763 • Hays, KS 67601 • OFFICE (785) 623-2920 • CELLULAR (785) 635-1511

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DRILLER'S LOG

Operator: **John O. Farmer, Inc.**
PO Box 352
Russell, KS 67665

Contractor: **Discovery Drilling Co., Inc.**
PO Box 763
Hays, KS 67601

Lease: Schmeidler "E" #1

Location: 75' S of W/2 / NW / NW
Sec. 5 / 13S / 17W
Ellis Co., KS

Loggers Total Depth: 3661'

Rotary Total Depth: 3660'

Commenced: 12/2/2004

Casing: 8 5/8" @ 239.11' w/ 150 sks

5 1/2" @ 3653' w/ 450 sks

Cement Did Circulate

Elevation: 2032' GL / 2040' KB

Completed: 12/8/2004

Status: Oil Well

2031' GL / 2039' KB

DEPTHS & FORMATIONS (All from KB)

| | | | |
|-----------------------|-------|--------------|-------|
| Surface, Sand & Shale | 0' | Shale | 1307' |
| Dakota Sand | 431' | Shale & Lime | 1909' |
| Shale | 535' | Shale | 2284' |
| Cedar Hill Sand | 695' | Shale & Lime | 2738' |
| Red Bed Shale | 910' | Lime & Shale | 3212' |
| Anhydrite | 1264' | RTD | 3660' |
| Base Anhydrite | 1307' | | |

STATE OF KANSAS)
) ss
COUNTY OF ELLIS)

Thomas H. Alm of Discovery Drilling states that to the best of his knowledge the above and foregoing is a true and correct log of the above captioned well.

Thomas H. Alm

Thomas H. Alm

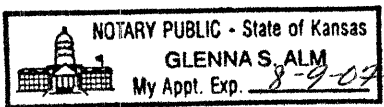
Subscribed and sworn to before me on 12-13-04

My Commission expires: 8-9-07

(Place stamp or seal below)

Glenna S. Alm

Notary Public



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ALLIEL CEMENTING CO., INC.

18743 ✓

Federal Tax I.D.# 48-0727860

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

SERVICE POINT: R

| | | | | | | | |
|-------------------------|------------------|---------------------------------|-------|------------|--------------------|-----------------|----------------|
| DATE <u>12-2-04</u> | SEC. | TWP. | RANGE | CALLED OUT | ON LOCATION | JOB START | JOB FINISH |
| LEASE <u>Schmeidler</u> | WELL# <u>E-1</u> | LOCATION <u>Catherine 16 2N</u> | | | COUNTY <u>FINN</u> | STATE <u>Ks</u> | <u>4:00 pm</u> |
| OLD OR NEW (Circle one) | | | | | | | |

CONTRACTOR Discovery D.19 #1

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 290

CASING SIZE 8 3/4 DEPTH 239

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. 10' 15"

PERFS. _____

DISPLACEMENT 234 14 1/2

OWNER _____

CEMENT AMOUNT ORDERED 150 csm 3Y2

| | | | | |
|----------|------------|---|-------------|---------------|
| COMMON | <u>150</u> | @ | <u>785</u> | <u>117750</u> |
| POZMIX | | @ | | |
| GEL | <u>3</u> | @ | <u>1100</u> | <u>3300</u> |
| CHLORIDE | <u>5</u> | @ | <u>3200</u> | <u>16000</u> |
| ASC | | @ | | |

EQUIPMENT

345 Dave

PUMP TRUCK CEMENTER Steve

_____ HELPER _____

BULK TRUCK DRIVER _____

_____ DRIVER Gary

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| | | | | |
|----------|---------------|---|--------------|---------------|
| HANDLING | <u>158</u> | @ | <u>155</u> | <u>21500</u> |
| MILEAGE | <u>54 1/2</u> | @ | <u>15800</u> | <u>15800</u> |
| TOTAL | | | | <u>174600</u> |

REMARKS:

Cement Cir

SERVICE

| | | | | |
|-------------------|-----------|---|------------|--------------|
| DEPTH OF JOB | | | | |
| PUMP TRUCK CHARGE | | | | <u>57000</u> |
| EXTRA FOOTAGE | | @ | | |
| MILEAGE | <u>20</u> | @ | <u>400</u> | <u>8000</u> |
| MANIFOLD | | @ | | |
| <u>8' wooden</u> | | @ | | <u>5500</u> |
| TOTAL | | | | <u>70500</u> |

CHARGE TO: J.O. Farmer

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

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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 Syl Rome

PRINTED NAME _____

JOB LOG

SWIFT Services, Inc.

DATE 12-8-04 PAGE NO. 1

CUSTOMER: John O. Farmer WELL NO. E-1 LEASE Schmidler JOB TYPE Cement L.S. TICKET NO. 7456

| CHART NO. | TIME | RATE (BPM) | VOLUME (BBL) (GAL) | PUMPS | | PRESSURE (PSI) | | DESCRIPTION OF OPERATION AND MATERIALS |
|-----------|-------------|------------|--------------------|-------|---|-----------------|--------|---|
| | | | | T | C | TUBING | CASING | |
| | <u>0110</u> | | | | | | | <u>on loc w/FE</u> |
| | | | | | | | | <u>on loc w/trks</u> |
| | | | | | | | | KCC |
| | | | | | | | | MAR 03 2005 |
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| | <u>0445</u> | | <u>3/2</u> | | | | | <u>Plug RH & MH</u> |
| | <u>0455</u> | <u>4</u> | <u>0</u> | | | <u>250</u> | | <u>start Mud Flush</u> |
| | <u>0458</u> | <u>6</u> | <u>12/0</u> | | | <u>300</u> | | <u>start cement 330 sks SMD @ 11.2#</u> |
| | <u>0532</u> | <u>6</u> | <u>194/0</u> | | | <u>300</u> | | <u>start cement 120 sks SMD @ 13.5#</u> |
| | <u>0539</u> | | <u>37</u> | | | | | <u>end cement</u> |
| | | | | | | | | <u>wash pump & line</u> |
| | | | | | | | | <u>Drop plug</u> |
| | <u>0543</u> | <u>6</u> | <u>0</u> | | | <u>200</u> | | <u>start displacement</u> |
| | <u>0605</u> | | <u>89</u> | | | <u>900/1800</u> | | <u>Bump plug</u> |
| | | | | | | | | <u>release pressure</u> |
| | | | | | | | | <u>float held</u> |

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