

CONFIDENTIAL

SIDE ONE

ORIGINAL

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

RECEIVED
MAR 30 2005
KCC WICHITA

API NO. 15- 065-23,026-00-00

County Graham
100' East of _____ E
- NW - NW - NE Sec. 18 Twp. 9S Rge. 21 X W

330 Feet from S (circle one) Line of Section
2210 Feet from E (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
NE, SE NW or SW (circle one)

Lease Name McFarland Well # 1
Field Name Morel
Producing Formation Arbuckle

Elevation: Ground 2281' KB 2289'
Total Depth 3870' PBTD 3840'

Amount of Surface Pipe Set and Cemented at 212 Feet

Multiple Stage Cementing Collar Used? X Yes _____ No
If yes, show depth set Port Collar @ 1785 Feet

If Alternate II completion, cement circulated from 1785
feet depth to surface w/ 300 sx cmt.

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

Chloride content 6,000 ppm Fluid volume 320 bbls
Dewatering method used evaporation

Location of fluid disposal if hauled offsite: _____

Operator Name _____

Lease Name _____ License No. _____

_____ Quarter Sec. _____ Twp. _____ S Rng. _____ E/W

County _____ Docket No. _____

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

Purchaser: NCRA

Operator Contact Person: John O. Farmer IV
Phone (785) 483-3144

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

KCC
MAR 30 2005

Designate Type of Completion
X New Well _____ Re-Entry _____ Workover

X 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: _____
Comp. Date _____ Old Total Depth _____

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

1-8-05 1-17-05 1-28-05
Spud Date Date Reached TD Completion Date

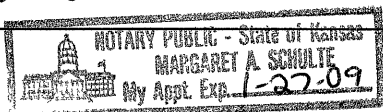
INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information on side 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 3-30-05
Subscribed and sworn to before me this 30th day of March,
20 05.

Notary Public Margaret A. Schulte
Margaret A. Schulte

Date Commission Expires _____



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

ORIGINAL

SIDE TWO

CONFIDENTIAL

Operator Name John O. Farmer, Inc.

Lease Name McFarland

Well # 1

East

County Graham

Sec. 18 Twp. 9S Rge. 21

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.)

<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datums	<input type="checkbox"/> Sample
Name	Top	Datum
Anhydrite	1778'	(+511)
Topeka	3242'	(-953)
Heebner	3454'	(-1165)
Toronto	3478'	(-1189)
Lansing	3494'	(-1205)
Stark	3672'	(-1383)
Base/KC	3701'	(-1412)
Marmaton	3738'	(-1449)
Arbuckle	3800'	(-1511)
L.T.D.	3872'	(-1583)

List All E.Logs Run:

Dual Compensated Porosity Log Dual Induction Log

Microresistivity Log Dual Receiver Cement Bond Log

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#	213'	Common	150	3% CC, 2% gel
Production	7-7/8"	5-1/2"	14#	3865'	Common	150	10% salt
			Port Collar	1785'	60/40 Pozmix	300	6% gel, 1/4# flo-seal per sk.

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		Acid, Fracture, Shot, Cement Squeeze Record	
	Specify Footage of Each Interval Perforated		(Amount and Kind of Material Used) Depth	
4 SPF	3801-05'		NA - completed natural	

TUBING RECORD		Size	Set At	Packer At	Liner Run			
		2-7/8"	3836'	--	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Date of First, Resumed Production, SWD or Inj.			Producing Method					
March 4, 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
	56.42				0.82			26°

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: 3801-05'



CONFIDENTIAL
Discovery
Drilling

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

ORIGINAL

KCC

MAR 30 2005

CONFIDENTIAL

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: McFarland #1

Location: 100' E of NW / NW / NE
 Sec. 18 / 9S / 21W
 Graham Co., KS

Loggers Total Depth: 3872'

Rotary Total Depth: 3870'

Commenced: 1/8/2005

Casing: 8 5/8" @ 212.99' w/ 150 sks
 5 1/2" @ 3865' w/ ~~475~~ 150 sks
 (Port Collar @ ~~4707'~~ 1785')

Elevation: 2281' GL / 2289' KB

Completed: 1/18/2005

Status: Oil Well

DEPTHS & FORMATIONS
 (All from KB)

Surface, Sand & Shale	0'	Shale	1814'
Dakota Sand	972'	Shale & Lime	2222'
Shale	1188'	Shale	2558'
Cedar Hill Sand	1308'	Shale & Lime	2982'
Red Bed Shale	1511'	Lime & Shale	3378'
Anhydrite	1780'	RTD	3780' 3870'
Base Anhydrite	1814'		

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.

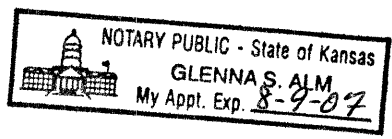
Thomas H. Alm

Subscribed and sworn to before me on 1-19-05

My Commission expires: 8-9-07

(Place stamp or seal below)
 Notary Public

RECEIVED
APR 01 2005
KCC WICHITA



ALLIED CEMENTING CO., INC. 19140 ORIGINAL

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

CONFIDENTIAL

SERVICE POINT: OAK Hills Ks

KCC
MAR 30 2005

DATE <u>1-9-05</u>	SEC. <u>18</u>	TWP. <u>9S</u>	RANGE <u>21W</u>	CALLED OUT <u>12:30pm</u>	ON LOCATION <u>3:30pm</u>	JOB START <u>4:00pm</u>	JOB FINISH <u>4:30pm</u>
mcfarland LEASE		WELL # <u>#1</u>	LOCATION <u>Bogue 65-lw sing</u>	COUNTY <u>Graham</u>	STATE <u>Ks</u>		
OLD OR <input checked="" type="radio"/> NEW (Circle one)							

CONFIDENTIAL

CONTRACTOR Discounty
 TYPE OF JOB Surface
 HOLE SIZE 12 1/4 T.D. 213'
 CASING SIZE 8 5/8 23' DEPTH 213'
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____
 CEMENT LBFT IN CSG. 15'
 PERFS. _____
 DISPLACEMENT 12.5 BBLs

OWNER Same
 CEMENT AMOUNT ORDERED 150 com
3% cc 2% gel

COMMON	<u>150</u>	@ <u>7.85</u>	<u>1177.50</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>
ASC		@	
		@	
		@	
		@	
		@	
		@	
		@	
		@	
HANDLING	<u>158</u>	@ <u>1.35</u>	<u>213.30</u>
MILEAGE	<u>.05 x 5K x mile</u>		<u>513.50</u>
TOTAL			<u>2102.30</u>

EQUIPMENT

PUMP TRUCK CEMENTER Fuzzy
 # 121 HELPER Wayne
 BULK TRUCK
 # 377 DRIVER Mike
 BULK TRUCK
 # _____ DRIVER _____

REMARKS:

Cement 8 5/8 csg with 150 skt com
3% cc 2% gel
Displace to within 15' of
bottom
Cement did circulate
Plus down @ 4:30pm
Thanks Fuzzy

SERVICE

DEPTH OF JOB	<u>213'</u>		
PUMP TRUCK CHARGE			<u>570.00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>65</u>	@ <u>4.00</u>	<u>260.00</u>
MANIFOLD (Russell)		@	
		@	
		@	
TOTAL			<u>830.00</u>

CHARGE TO: John O. Farmer Inc
 STREET _____
 CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

_____	@	_____
_____	@	_____
_____	@	_____
_____	@	_____
_____	@	_____
TOTAL		_____

RECEIVED
APR 01 2005
KCC WICHITA

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 [Signature]

PRINTED NAME _____

P. O. Box 763
Hays, Kansas 67601

RECEIVED

APR 01 2005

KCC WICHITA

Discovery
Drilling

KCC
MAR 30 2005

Office 785/623-2920
Cellular 785/635-1511
Rig 785/635-1201

CONFIDENTIAL

CONFIDENTIAL

ORIGINAL

Pipe and Tubing Tally Book

DATE 1-16-05 COMPANY John O Farmer, Inc LEASE Mc Farland Well No. 1

SIZE 5 1/2 WEIGHT 14# MAKE Crsing GRADE J RANGE 3

THREAD 8 id COLLAR LENGTH ST-C CONDITION NEW TRANSFER NOS. OVERALL TALLY
THREADS OFF TALLY

Joint No.	Feet	Hnd	Joint No.	Feet	Hnd	Joint No.	Feet	Hnd	Joint No.	Feet	Hnd	Joint No.	Feet	Hnd	Joint No.	Feet	Hnd	Joint No.	Feet	Hnd	Joint No.	Feet	Hnd																									
1	19	95	21	42	53	41	42	51	61	42	65	(81)	38	56	101			121			141																											
2	42	68	22	42	74	42	42	60	62	42	57	82	42	48	102			122			142																											
3	42	46	23	42	28	43	42	57	63	42	30	83	42	77	103			123			143																											
4	42	46	24	42	79	44	42	78	64	42	52	84	42	59	104			124			144																											
5	42	37	25	42	53	45	42	46	65	42	52	85	42	50	105			125			145																											
6	42	45	26	42	59	46	42	55	66	42	40	86	42	63	106			126			146																											
7	42	44	27	42	54	47	42	50	67	42	65	87	42	44	107			127			147																											
8	42	53	28	42	53	48	42	54	68	42	60	88	42	29	108			128			148																											
9	42	67	29	42	46	49	42	54	69	42	51	89	42	60	109			129			149																											
10	42	53	30	42	55	50	42	54	70	42	55	90	42	55	110			130			150																											
11	42	53	31	42	55	51	42	63	71	42	58	91	42	67	111			131			151																											
12	42	84	32	42	50	52	42	56	72	42	56	92	42	25	112			132			152																											
13	42	48	33	44	48	53	42	58	73	42	88	93	42	56	113			133			153																											
14	42	40	34	40	52	54	40	96	74	36	57	(94)	42	49	114			134			154																											
15	42	28	35	42	73	55	42	63	75	42	55	(95)	11	90	115			135			155																											
16	42	43	36	42	63	56	42	54	76	42	57	96	14	40	Below P.C	136			136			156																										
17	42	46	(37)	32	73	57	42	61	77	42	65	97			117			137			157																											
18	42	51	38	42	64	58	42	61	78	42	52	98			118			138			158																											
19	42	60	39	42	54	59	42	49	79	43	-	99			119			139			159																											
20	42	60	40	42	67	60	42	60	80	42	61	100			120			140			160																											
																						828	11	843	54	849	80	845	70	590	38																	
																																616.62											Totals	3983.77				

Drillers TD 3870' Loggers TD 3872'

No. Jts. Run 92 Size 5 1/2 Wt. 14 Tested 4000

Cent@ 3847 3762 3671 3592 3507 3422 3337 1799

Basket@ 3840 -3420 1798 D.V. Tool@ _____ Port Collar@ 1787

Cemented By Alfred SKs. Type Cement 150 SX Common w/ 10% SAH

Flush 500 gal

Jts. To Be Left Out 37 81 94 95

Shoe Jt. 21 Pipe Set@ 3865' Off Bottom 5'

Plug Down 4:00 A.M. P.M. 118105 Rig Release@ 4:30 A.M. P.M. 118105

Job By Aven

Pipe Left On Location 4 Jts. Talley 125.62 Threads Off 1

ALLIED CEMENTING CO., INC. 19428

ORIGINAL

CONFIDENTIAL

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

SERVICE POINT:

Russell

DATE <u>1-17-05</u>	SEC. <u>18</u>	TWP. <u>9</u>	RANGE <u>21</u>	CALLED OUT <u>7:00 AM</u>	ON LOCATION <u>10:15 AM</u>	JOB START <u>3:30 AM</u>	JOB FINISH <u>4:15 AM</u>
LEASE <u>McFARLAND</u>	WELL # <u>1</u>	LOCATION <u>Boquet & Redline Jct.</u>		COUNTY <u>GRAHAM</u>	STATE <u>KANSAS</u>		

KCC
MAR 30 2005

CONFIDENTIAL

CONTRACTOR Discovery Rig 1
 TYPE OF JOB PRODUCTION STRING
 HOLE SIZE 7 7/8 T.D. 3870'
 CASING SIZE 5 1/2 DEPTH 3867'
 TUBING SIZE DEPTH
 DRILL PIPE DEPTH
 TOOL LATCH Down Plug DEPTH @ 3847
 PRES. MAX 1200 # MINIMUM
 MEAS. LINE SHOE JOINT 21'
 CEMENT LEFT IN CSG. 21'
 PERFS
 DISPLACEMENT 94 / BBL
 EQUIPMENT

OWNER Used 150 cks
 CEMENT
 AMOUNT ORDERED 175 Com (10% SALT)
500 GAL WFR 2

PUMP TRUCK CEMENTER Glenn
 # 366 HELPER PAUL
 BULK TRUCK
 # 362 DRIVER CRAIG
 BULK TRUCK
 # DRIVER

COMMON	<u>175</u>	@	<u>8.00</u>	<u>1452.50</u>
POZMIX		@		
GEL	<u>3</u>	@	<u>13.00</u>	<u>39.00</u>
CHLORIDE		@		
ASC		@		
<u>Salt</u>	<u>17</u>	@	<u>15.00</u>	<u>255.00</u>
<u>WFR-2</u>	<u>500 gals</u>	@	<u>1.00</u>	<u>500.00</u>
		@		
		@		
		@		
		@		
HANDLING	<u>195</u>	@	<u>1.50</u>	<u>292.50</u>
MILEAGE	<u>5 #/sk</u>	MILE		<u>633.75</u>
TOTAL				<u>3172.75</u>

REMARKS:

PORT COLLAR @ 1787 (#50 JT)
Cent 1, 3, 5, 7, 9, 11, 13, 49
BSK 2, 13, 50.

LAND Plug @ 1200 # (Held)
10 SK @ mouse Hole
15 SK @ RAT Hole **THANKS**

CHARGE TO: JOHN O. FARMER INC.
 STREET
 CITY STATE ZIP

SERVICE

DEPTH OF JOB				
PUMP TRUCK CHARGE				<u>1260.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>65</u>	@	<u>4.00</u>	<u>260.00</u>
MANIFOLD <u>Pickup Mileage</u>		@		<u>100.00</u>
<u>ROTATING HEAD</u>		@	<u>75.00</u>	
		@		
TOTAL				<u>1620.00</u>

Weather Fort
PLUG & FLOAT EQUIPMENT

<u>1 - Guide Shoe</u>				<u>150.00</u>
<u>1 - LATCH Down Plug</u>	@			<u>350.00</u>
<u>8 - CENTRALIZERS</u>	@	<u>40.00</u>		<u>320.00</u>
<u>3 - BASKETS</u>	@	<u>125.00</u>		<u>375.00</u>
<u>20 - ROTATING SCRAPER</u>	@	<u>45.00</u>		<u>900.00</u>
<u>1 - PORT COLLAR</u>	@			<u>1500.00</u>
TOTAL				<u>3604.00</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 Ann Weenling

PRINTED NAME

RECEIVED
 APR 01 2005
 KCC WICHITA

ALLIED CEMENTING CO., INC. 18604 ORIGINAL

CONFIDENTIAL

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

SERVICE POINT: R

MAR 30 2005

CONFIDENTIAL

DATE <u>1-26-05</u>	SEC.	TWP.	RANGE	CALLED OUT	ON LOCATION	JOB START	JOB FINISH
<u>McFARLAND LEASE</u>	WELL # <u>1</u>		LOCATION <u>BOLUE RD & REDWINE</u>		COUNTY <u>CRANKFORD</u>		STATE <u>KS</u>
<input type="radio"/> OLD OR NEW (Circle one)			<u>3N 12W 5TH</u>				

CONTRACTOR WESTERN OWNER _____

TYPE OF JOB PORT COLLAR

HOLE SIZE _____ T.D. _____ CEMENT _____

CASING SIZE 5 1/2 DEPTH _____ AMOUNT ORDERED 350 60/100 6% GEL

TUBING SIZE 2 1/2 DEPTH _____ 14 LB 120

DRILL PIPE _____ DEPTH _____ USED 300

TOOL ALLOY DEPTH _____

PRES. MAX _____ MINIMUM _____ COMMON 180 @ 8.30 1494.00

MEAS. LINE _____ SHOE JOINT _____ POZMIX 120 @ 4.50 540.00

CEMENT LEFT IN CSG. _____ GEL 15 @ 13.00 195.00

PERFS. _____ CHLORIDE _____ @ _____

DISPLACEMENT _____ ASC _____ @ _____

EQUIPMENT

PUMP TRUCK CEMENTER MARK

316 HELPER DAVE

BULK TRUCK _____ @ _____

378 DRIVER CRAIG

BULK TRUCK _____ @ _____

_____ DRIVER _____ @ _____

HANDLING 368 @ 1.50 552.00

MILEAGE 5.5 / SK / MILE 1315.00

TOTAL 4216.00

REMARKS:

PORT COLLAR @ 1785 TESTED CSG TO 760" OPEN TOOL BREAK CIRC MIXED 300 SIL CTRC CEMENT CLOSE TOOL TEST TO 700" RAN 7 JTS WASH CLEAN

SERVICE

DEPTH OF JOB _____

PUMP TRUCK CHARGE _____ 750.00

EXTRA FOOTAGE _____ @ _____

MILEAGE 65 @ 4.50 292.50

MANIFOLD _____ @ _____

TOTAL 1042.50

CHARGE TO: JOHN D. FARMER

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

TOTAL _____

TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE Alan W. ...

PRINTED NAME _____

RECEIVED
APR 01 2005
KCC WICHITA

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.