

CONFIDENTIAL

ORIGINAL

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

CONFIDENTIAL

API NO. 15- 193-20629-00-00

County Thomas

NW - SE Sec. 27 Twp. 8 Rge. 32 XX ^E_W

Operator: License # 6484

1980 Feet from (S)N (circle one) Line of Section

Name: ANDERSON ENERGY, INC.

1980 Feet from (E)W (circle one) Line of Section

Address 200 E. First, Suite #414

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

City/State/Zip Wichita, KS 67202

Lease Name Ryan Well # 3

Purchaser: Farmland Industries, Inc.

Field Name Bastin

Operator Contact Person: William L. Anderson

Producing Formation Cherokee

Phone (316) 265-7929

Elevation: Ground 3076 KB 3081

Contractor: Name: White & Ellis Drilling

Total Depth 4700 PBDT _____

License: 5420

Amount of Surface Pipe Set and Cemented at 329 Feet

Wellsite Geologist: Jerry Jespersen

Multiple Stage Cementing Collar Used? XX Yes _____ No

Designate Type of Completion

XX New Well _____ Re-Entry _____ Workover

If yes, show depth set 2678 Feet

XX Oil _____ SWD _____ SLOW _____ Temp. Abd.
_____ Gas _____ ENHR _____ SIGW
_____ Dry _____ Other (Core, MSW, Expl., Cathodic, etc)

If Alternate II completion, cement circulated from 2678

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

feet depth to Surface w/ 320 sx cmt.

Operator: _____

Drilling Fluid Management Plan ALT 2 J 1-12-96
(Data must be collected from the Reserve Pit)

Well Name: _____

Chloride content 800 ppm Fluid volume 900 bbls

Comp. Date _____ Old Total Depth _____

Dewatering method used Evaporation

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

Location of fluid disposal if hauled offsite: _____

RECEIVED
KANSAS CORPORATION COMMISSION
3-14-96
RELEASED

11-28-94 12-13-94 12-27-94
Spud Date Date Reached TD Completion Date

Operator Name _____
Lease Name 1-11-95 License No. 1996
JAN 11 1995
Quarter _____ Sec. _____ Twp. _____ S Rng. _____

County CONSERVATION DIVISION Docket No. _____
WICHITA, KS

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 200 Colorado Derby Building, 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 William L. Anderson

Title Secretary-Treasurer Date 1/10/95

Subscribed and sworn to before me this 10 day of January, 19 95.

Notary Public Linda D. Rausch

Date Commission Expires 10/3/98

| K.C.C. OFFICE USE ONLY | | |
|-------------------------------------|-------------------------------------|------------------------------------|
| F | <input checked="" type="checkbox"/> | Letter of Confidentiality Attached |
| C | <input checked="" type="checkbox"/> | Wireline Log Received |
| C | <input checked="" type="checkbox"/> | Geologist Report Received |
| Distribution | | |
| <input checked="" type="checkbox"/> | KCC | _____ SWD/Rep _____ NGPA |
| _____ | KGS | _____ Plug _____ Other (Specify) |

LINDA D. RAUSCH
NOTARY PUBLIC
STATE OF KANSAS
My Appt. Exp. 10/3/98

Operator Name **ANDERSON ENERGY, INC.**

SIDE TWO

CONFIDENTIAL

Lease Name **RYAN** Well # **3**

Sec. 27 Twp. 8 Rge. 32
 East
 West

County **Thomas**

CONFIDENTIAL

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: **DIL, Compensated Neutron Density, RAG, Sonic Cement Bond**

| Name | Top | Datum |
|-------------|------|-------|
| Anhydrite | 2676 | +405 |
| B/Anhydrite | 2702 | +379 |
| Topeka | 3828 | -747 |
| Heebner | 4022 | -941 |
| Lansing | 4063 | -982 |
| Stark | 4269 | -1188 |
| B/KC | 4334 | -1253 |
| Marmaton | 4360 | -1279 |
| Pawnee | 4445 | -1364 |
| Ft. Scott | 4510 | -1429 |
| Cherokee Sh | 4540 | -1459 |

| CASING RECORD | | | | | | | |
|-------------------|-------------------|---------------------------|-----------------|---------------|----------------|--------------|----------------------------|
| 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 | 20 | 329 | 60/40 poz | 180 | 2% gel, 3% ct. |
| Production | 7 7/8 | 5 1/2 | 14 | 4697 | 60/40 poz | 250 | 10% salt, |

Report all strings set-conductor, surface, intermediate, production, etc.

| ADDITIONAL CEMENTING/SQUEEZE RECORD | | | | |
|-------------------------------------|------------------|----------------|-------------|----------------------------|
| Purpose: | Depth Top Bottom | Type of Cement | #Sacks Used | Type and Percent Additives |
| Perforate | | | | |
| Protect Casing | | | | |
| Plug Back TD | | | | |
| 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 | 4548-50' and 4556.5-64.5 | 500 gal 15% NE | |

| TUBING RECORD | | Size | Set At | Packer At | Liner Run |
|---------------|--|-------|--------|-----------|---|
| | | 2 3/8 | 4586 | | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

| Date of First, Resumed Production, SWD or In.] | Producing Method |
|--|---|
| 1/2/95 | <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 |
|-----------------------------------|-----------|---------|-------------|---------------|---------|
| | 125 | | 0 | | 27° |

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: 4548.50
4556.5-64.5

Thornton E. Anderson
President

Anderson Energy, Inc.

200 E. First Street
Suite 414
Wichita, Kansas 67202
(316) 265-7929
Fax (316) 267-5389

ORIGINAL

William L. Anderson
Secretary - Treasurer

#3 Ryan
NW SE
Sec. 27-8S-32W
Thomas County, KS

DRILL STEM TESTS

CONFIDENTIAL

API #15-193-20629

RELEASED

MAR 14 1996

FROM CONFIDENTIAL

- 12/07/94 DST #1 4034-4080' Toronto and Lansing A.
45 (45) 45 (45)
Rec 20' mud with few oil spots.
IFP 23-23# FFP 46-46#
ISIP 963# FSIP 893#
- 12/08/94 DST #2 4080-4155' Lansing B, D, E and F.
45 (45) 45 (60)
Rec 310' gas in pipe, 10' oil cut mud (15% oil) and 60' slightly oil cut mud.
IFP 46-58# FFP 69-72#
ISIP 1101# FSIP 1043#
- 12/09/94 DST #3 4202-4305' Lansing H, I, J and K.
Strong blow off bottom in 1 min on both opens.
30 (30) 30 (45)
Rec 285' gas, 25' oil cut mud (5% oil), 62' heavily oil cut mud (10% oil), 500' very heavily oil and gas cut mud (30% oil, 20% gas, 50% mud), 62' muddy oil (35% oil, 20% gas, 45% mud) and 310' oil cut muddy water (5% oil, 20% gas, 10% mud, 65% water).
IFP 255-278# FFP 394-429#
ISIP 1009# FSIP 963# and building.
- DST #4 4334-4370' Pleasanton Sand.
Strong blow off bottom in 20 min 1st open.
Strong blow off bottom 2nd open.
30 (45) 45 (75)
Rec 645' gas 107' muddy oil (85% oil, 5% gas, 10% mud) and 62' very heavily oil and gas cut mud (20% oil, 25% gas, 55% mud).
IFP 46-46# FFP 92-104#
ISIP 1159# FSIP 1194#
- 12/10/94 DST #5 4440-4457' Pawnee.
30 (45) 90 (75)
Strong blow throughout.
Rec 3900' gas, 300' clean, gassy oil, (42 gravity).
62' heavily oil and gas cut mud (10% oil, 40% gas, 50% mud) and 62' very slightly oil cut muddy water.
IFP 104-104# FFP 162-185#
ISIP 1274# FSIP 1274#
- 12/12/94 DST #6 4540-4578' Cherokee.
30 (45) 60 (75)
Strong blow off bottom in 1 min on first open and then strong blow throughout.
Gas to surface 10 min into final shut-in period.
Rec 2020' of 24 degree oil and 60' muddy oil (70% oil, 30% mud).
IFP 150-347# FFP 487-777#
ISIP 1309# FSIP 1263#

RECEIVED
KANSAS CORPORATION COMMISSION

JAN 11 1995

CONSERVATION DIVISION

15-193-20629-00-00

ORIGINAL

Phone 913-483-2627, Russell, KS

Phone 913-625-5516, Hays, KS

Phone 316-886-5926, Medicine Lodge, KS

Phone 316-793-5861, Great Bend, KS

Phone 913-672-3471, Oakley, KS

Phone 913-798-3843, Ness City, KS

ALLIED CEMENTING CO., INC.

Home Office P. O. Box 31

Russell, Kansas 67665

12-11-94

| | | | | | | | | | |
|-------|----------|----------|----------|--------------------|----------------|-----------|----------|--------|----------|
| Date | 12/11/94 | Sec. 27 | Range 32 | Called Out 8:45 AM | On Location | Job Start | 12/14/94 | Finish | 12/15/94 |
| Lease | Ryan | Well No. | 3 | Location | Oakley 14N-16W | County | Thomas | State | Kan |

Contractor: **Poe Well Service**

Type Job: **Part Casing**

| | | | |
|----------------|-------------|-------|-------|
| Hole Size | 5 1/2 | Depth | |
| Csg. Tbg. Size | 5 1/2 | Depth | |
| Drill Pipe | | Depth | |
| Tool | Part Casing | Depth | 2698' |

Charge To: **Anderson Energy, Inc.**

Street: **200 E 1st**

City: **Wichita, Kan 67202**

The above was done to satisfaction and supervision of owner agent or contractor.

Purchase Order No. **7.C. Jason**

Amount Ordered: **450 SKS 6 1/2" 35, 10% Gel, 1/4 lbs Flo-Seal**

| | | | |
|--------------|------|-------------|-----------------|
| Common | 208 | SKS @ 7.20 | 1,497.60 |
| Poz. Mix | 112 | SKS @ 3.15 | 352.80 |
| Gel | 28 | SKS @ 9.50 | 266.00 |
| Chloride | | | |
| Quickset | | | |
| Flo-Seal | 80# | @ 1.15 | 92.00 |
| Handling | 1.05 | per sk | 472.50 |
| Mileage | 4.6 | per sk/mile | 252.00 |
| Total | | | 2,932.90 |

| | | |
|--------------|------------|---------------|
| Reference: | Pump track | 550.00 |
| | 235 | 32.90 |
| Total | | 582.90 |

Remarks: **Test Casing 2500 psi, opened, Pumped Fluid till we had Circ. Mixed cement 23 BPM 2400 psi, Cement Cure to Surface, Displaced 9 1/2 BBL down tubing, closed tool**

Witness: Walt

EQUIPMENT CONSERVATION DIVISION

FROM CONFIDENTIAL

15-93-20629-00-00

ORIGINAL

Phone 913-483-2627, Russell, KS

Phone 913-625-5516, Hays, KS

Phone 316-886-5926, Medicine Lodge, KS

Phone 316-793-5861, Great Bend, KS

Phone 913-672-3471, Oakley, KS

Phone 913-798-3843, Ness City, KS

GENERAL TERMS AND CONDITIONS

ALLIED CEMENTING CO., INC.

Home Office P. O. Box 31
Russell, Kansas 67665

Date **12-14-94** 27 8 32 5:45 AM 8:15 AM
Lease **Ryan** Well No. **3** Location **Oakley** County **Thomas** State **Kan**

Contractor **White & Ellis** #9
Type Job **Production String**
Hole Size **7 7/8** I.D. **4700'**
Csg. **5 1/2** Depth **4692'**
Tbg. Size Depth
Drill Pipe Depth
Tool **Port Collar** Depth **2678'**
Cement Left in Csg. **4348'** Shoe Joint **43.48'**
Press Max. **MISSION**
Meas Line **1-1-1996** Displace **RE-ADD 3.6**
Perf. **14 1996**

Charge To **Anderson Energy Inc**
Street **200 E 1st** # **414**
City **Wichita** State **Kan** **67202**
Purchase Order No. **J**
X J. C. Janson
4-KEL **CEMENT 500 gal WFR-2**
1-6-1
Amount Ordered **275 SKS 60% 10% 8-11, 7 1/2 lbs 6 lb unit**
Consisting of **3/4 OF 1% CFR-2, Per SK**

| | | |
|----------------|----------|--------------------------|
| No. 191 | Cementer | FROM CONFIDENTIAL |
| | Helper | Wayne |
| No. 303 | Cementer | |
| | Helper | |
| | Driver | Dean |
| | Driver | |

| | | |
|-----------|---------------------------|------------------|
| Common | 165 SKS @ 7.20 | 1,188.00 |
| Poz. Mix | 110 SKS @ 3.15 | 346.50 |
| WFR-2 | 500 gal @ 1.00 | 500.00 |
| CD-31 | 177# @ 4.45 | 787.65 |
| Quadract | Salt 29 SKS @ 7.00 | 203.00 |
| KEL | 4 SKS @ 18.90 | 75.60 |
| Gilsonite | 2050# @ 38¢ | 779.00 |
| | | Sales Tax |
| Handling | 1.05 per SK | 288.75 |
| Mileage | 4¢ per mile | 154.00 |

DEPTH of Job **4700'**
Reference **Pump Truck** **1,156.00**
5 1/2" Drill Plus **45.00**
235 per mile **32.90**
Sub Total **1,233.90**
Tax

Sub Total **4,322.50**
Total **4,322.50**
Floating Equipment

Remarks **Mix 25 BBL KEL then 50 gal**
WFR-2 Followed 1/5 BBL KEL
15 SKS in R.H.
Float held

Work done by ALLIED shall be under the direct supervision of the independent contractor and not as an employee of the contractor.
Thal

15-193-20629-00-00

ORIGINAL

Phone 913-483-2627, Russell, KS

Phone 913-625-5516, Hays, KS

Phone 316-886-5926, Medicine Lodge, KS

Phone 316-793-5861, Great Bend, KS

Phone 913-672-3471, Oakley, KS

Phone 913-798-3843, Ness City, KS

GENERAL EQUIPMENT SALES COMPANY

ALLIED CEMENTING CO., INC.

Home Office P. O. Box 31

Russell, Kansas 67665

7871

NEW

| Date | Sec. | Twp. | Range | Called Out | On Location | Job Start | Finish |
|----------|------|------|-------|------------|-------------|-----------|----------|
| 11-28-94 | 27 | 8S | 32W | | 8:30 PM | 10:30 PM | 11:00 PM |

| Lease | Well No. | Location | County | State |
|-------|----------|---------------|--------|-------|
| RYAN | # 3 | HALFORD 3S-1W | THOMAS | KS |

| Contractor | Owner |
|--------------------|-------|
| WHITE + ELLIS DRUG | SAME |

Type Job **SURFACE**

| Hole Size | T.D. |
|-----------|------|
| 12 1/4 | 330' |

| Csg. | Depth |
|-------|-------|
| 8 5/8 | 329' |

| Tbg. Size | Depth |
|-----------|-------|
| | |

| Drill Pipe | Depth |
|------------|-------|
| | |

| Tool | Depth |
|------|-------|
| | |

| Cement Left in Csg. | Shoe Joint |
|---------------------|------------|
| 15' | 15' |

Press Max. **RECEIVED** Minimum

| Meas Line | Displace |
|-----------|----------|
| | 20 BBL. |

Perf. **JAN 11 1995**

EQUIPMENT WICHITA KS

| Pumptrk No. | Cement | Helper |
|-------------|--------|--------|
| 191 | TERRY | WAYNE |
| Pumptrk No. | Cement | Helper |
| | | |
| Bulktrk | Driver | |
| 218 | R. G. | |
| Bulktrk | Driver | |
| | | |

| DEPTH of Job | Reference: | Amount |
|--------------|--------------------|--------|
| | Pumptruck | 430.00 |
| | 8 5/8 SURFACE PLUG | 42.00 |
| | 2.25 PER MILE | 29.25 |
| | 394 PER 2 300' | |
| | Sub Total | N/C |
| | Tax | |
| | Total | 501.25 |

Remarks: **CEMENT FIELD CERC.**

To Allied Cementing Co., Inc. You are hereby requested to rent cementing equipment and furnish cement and helper to assist owner or contractor to do work as listed.

| Charge To | Street | City | State |
|-----------------------|-----------------|---------|--------|
| ANDERSON ENERGY, INC. | 200 E 1st # 414 | Wichita | Kansas |

The above was done to satisfaction and supervision of owner agent or contractor.

Purchase Order No.

X James Cromwell

CEMENT

| Amount Ordered |
|------------------------------|
| 180 SKS 60/40 @ 2.39 CC 286L |

| Consisting of | Common | Poz. Mix | Gel. | Chloride | Quickset |
|---------------|----------------|---------------|--------------|---------------|----------|
| | 108 SKS @ 6.85 | 92 SKS @ 3.00 | 3 SKS @ 9.00 | 6 SKS @ 25.00 | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Handling 1.00

Mileage 44 per sk/mile 93.60

Sub Total 1,406.40

RELEASED

Floating Equipment

Nothing in this contract shall be construed as a warranty

Nothing in this contract shall be construed as a warranty

Nothing in this contract shall be construed as a warranty

Nothing in this contract shall be construed as a warranty

THANK-YOU