

ORIGINAL

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

Operator: License # 5364
Name: BEREN CORP
Address: P O Box 20380
City/State/Zip: Wichita, KS 67208
Purchaser: _____
Operator Contact Person: Jeremy Ensz
Phone: (316) 265-3311
Contractor: Name: BEREDCO
License: 5147
Wellsite Geologist: Bryan Bynog

Designate Type of Completion:
 New Well Re-Entry Workover
 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: _____
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. _____
06-28-2006 07-05-2006
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 135-24505-00-00 AUG 03 2006
County: Ness
NW NE NW SW Sec. 16 Twp. 16 S. R. 29 East West
2550' FSL feet from (S) / N (circle one) Line of Section
850' FWL feet from E / (W) (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Milton Well #: 1-16
Field Name: Osgood

Producing Formation: _____
Elevation: Ground: 2466' Kelly Bushing: 2477'
Total Depth: 4550' Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 225 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from _____
feet depth to _____ w/ _____ sx cmt.

Drilling Fluid Management Plan Act II Pit w/ 8-6-07
(Data must be collected from the Reserve Pit)
Chloride content 4000 ppm Fluid volume 730 bbls
Dewatering method used _____
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License No.: _____
Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
County: _____ Docket No.: _____

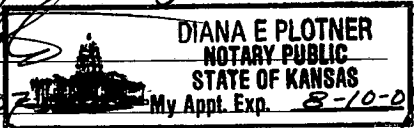
INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side 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: Reservoir Engineering Tech Date: 08-03-2006

Subscribed and sworn to before me this 31st day of August, 2006.

Notary Public: [Signature]
Date Commission Expires: Aug 10, 2007 My Appt. Exp. 8-10-07



KCC Office Use ONLY

Letter of Confidentiality Received
If Denied, Yes Date: _____

Wireline Log Received

Geologist Report Received

UIC Distribution

CONFIDENTIAL

Side Two

Operator Name: BEREN CORP Lease Name: Milton Well #: 1-16
Sec. 16 Twp. 16 S. R. 23 [] East [x] West County: Ness

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 [x] Yes [] No
Samples Sent to Geological Survey [x] Yes [] No
Cores Taken [] Yes [x] No
Electric Log Run [x] Yes [] No
List All E. Logs Run: DIL, MEL, BHCS, CDL/CNL
[x] Log Formation (Top), Depth and Datum [] Sample
Name Top Datum
Anhydrite 1821' +656
Heebner 3858' -1381
LKC 3896' -1419
BKC 4202' -1725
Pawnee 4290' -1813
Fort Scott 4380' -1903
Mississippi 4514' -2037

CASING RECORD [x] New [] Used
Report all strings set-conductor, surface, intermediate, production, etc.
Table with columns: 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.

ADDITIONAL CEMENTING / SQUEEZE RECORD
Table with columns: Purpose, Depth Top Bottom, Type of Cement, #Sacks Used, Type and Percent Additives.

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

TUBING RECORD
Size Set At Packer At Liner Run [] Yes [] No
Date of First, Resumerd Production, SWD or Enhr. Producing Method [] Flowing [] Pumping [] Gas Lift [] Other (Explain)
Estimated Production Per 24 Hours Oil Bbbs. Gas Mcf Water Bbbs. Gas-Oil Ratio Gravity

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

ALLIED CEMENTING CO., INC.

2375

Federal Tax ID# **KCC**

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

AUG 03 2006

SERVICE POINT:

Ness City

CONFIDENTIAL

DATE <u>6-28-06</u>	SEC. <u>16</u>	TWP. <u>16</u>	RANGE <u>23</u>	CALLED OUT <u>8:30 PM</u>	ON LOCATION <u>9:30 PM</u>	JOB START <u>1:00 AM</u>	JOB FINISH <u>2:00 AM</u>
LEASE <u>Milton</u>		WELL # <u>1-16</u>	LOCATION <u>Brownell 4 W, 1/2 N</u>		COUNTY <u>Ness</u>	STATE <u>Ks</u>	
OLD OR <input checked="" type="radio"/> NEW (Circle one)							

CONTRACTOR Beredco
 TYPE OF JOB Surface
 HOLE SIZE 12 1/4" T.D. 231'
 CASING SIZE 8 5/8 - 20" DEPTH
 TUBING SIZE DEPTH
 DRILL PIPE DEPTH
 TOOL DEPTH
 PRES. MAX MINIMUM
 MEAS. LINE SHOE JOINT
 CEMENT LEFT IN CSG. 15'
 PERFS.
 DISPLACEMENT 13.6 BBLs

OWNER Beren Corporation
 CEMENT
 AMOUNT ORDERED 160 sk Common
3% CC 2% GEL

COMMON	<u>160 sk</u>	@	<u>10.65</u>	<u>1704.00</u>
POZMIX		@		
GEL	<u>3 sk</u>	@	<u>16.65</u>	<u>49.95</u>
CHLORIDE	<u>5 sk</u>	@	<u>46.60</u>	<u>233.00</u>
ASC		@		
		@		
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>168 sk</u>	@	<u>1.90</u>	<u>319.20</u>
MILEAGE	<u>168 sk 108 18</u>	@		<u>241.92</u>

EQUIPMENT
 PUMP TRUCK CEMENTER J.R. Dreefing
 # 224 HELPER Jim Weighous
 BULK TRUCK
 # 342 DRIVER Brandon Roach
 BULK TRUCK
 # DRIVER

TOTAL 2548.07

REMARKS:

Ran new 8 5/8 casing to bottom
Circulate w mud pump. Hook up to
pump truck & mixed 160 sk common
3% CC 2% gel. shut down change
valves over, release 8 5/8 TWP & displac
down casing with 13.6 BBLs fresh h²el
Cement did circ. Shut in.

SERVICE

DEPTH OF JOB	<u>231'</u>		
PUMP TRUCK CHARGE			<u>815.00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>18</u>	@	<u>5.00</u>
MANIFOLD		@	
		@	
		@	

CHARGE TO: Beren Corp.
 STREET P.O. Box 20380
 CITY Wichita STATE Kansas ZIP 67208

AUG 03 2006

TOTAL 905.00

KCC WICHITA

PLUG & FLOAT EQUIPMENT

<u>1 - 8 5/8 - TWP</u>	@	<u>60.00</u>	<u>60.00</u>
	@		
	@		
	@		
	@		

TOTAL 60.00

TAX _____
 TOTAL CHARGE _____
 DISCOUNT _____ IF PAID IN 30 DAYS

Thank you.

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.

SIGNATURE [Signature]

PRINTED NAME

ALLIED CEMENTING CO., INC.

23619

Federal Tax I.D.#

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

SERVICE POINT:
Ness City

DATE <u>7-5-06</u>	SEC. <u>16</u>	TWP. <u>16</u>	RANGE <u>23</u>	CALLED OUT <u>10:30AM</u>	ON LOCATION <u>2:30PM</u>	JOB START <u>6:45pm</u>	JOB FINISH <u>9:45pm</u>
LEASE <u>Milton</u>		WELL # <u>1-16</u>	LOCATION <u>4+283 lot 1E 1/2 N E S</u>		COUNTY <u>Ness</u>	STATE <u>KS</u>	
OLD OR <u>NEW</u> (Circle one)							

KCC

AUG 03 2006

CONFIDENTIAL

CONTRACTOR Beredco Driller # 10
 TYPE OF JOB Rotary Plug
 HOLE SIZE 7 7/8 T.D. 4550
 CASING SIZE 8 7/8 DEPTH 224
 TUBING SIZE DEPTH
 DRILL PIPE DEPTH
 TOOL DEPTH
 PRES. MAX MINIMUM
 MEAS. LINE SHOE JOINT
 CEMENT LEFT IN CSG.
 PERFS.
 DISPLACEMENT

OWNER
 CEMENT
 AMOUNT ORDERED
255 6 1/4 6 1/2 #1
1/4 # Flo Seal per 5x

EQUIPMENT

PUMP TRUCK CEMENTER MIKE
 # 224 HELPER J. W. Wighams
 BULK TRUCK
 # 260 DRIVER Cody
 BULK TRUCK
 # DRIVER

COMMON	<u>153 mt</u>	@	<u>10.65</u>	<u>1629.45</u>
POZMIX	<u>102 mt</u>	@	<u>5.80</u>	<u>591.60</u>
GEL	<u>13 mt</u>	@	<u>16.65</u>	<u>216.45</u>
CHLORIDE		@		
ASC		@		
<u>Flo Seal</u>	<u>64 #</u>	@	<u>2.00</u>	<u>128.00</u>
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>270 mt</u>	@	<u>1.90</u>	<u>513.00</u>
MILEAGE	<u>18</u>	@	<u>21.00</u>	<u>388.80</u>
TOTAL				<u>3467.30</u>

REMARKS:

<u>50 size</u>	<u>1850'</u>
<u>80</u>	<u>1000</u>
<u>40</u>	<u>500</u>
<u>40</u>	<u>250</u>
<u>20</u>	<u>60</u>
<u>15</u>	<u>BH</u>
<u>10</u>	<u>MH</u>

SERVICE

DEPTH OF JOB	<u>1850</u>		
PUMP TRUCK CHARGE			<u>815.00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>18</u>	@	<u>5.00</u>
MANIFOLD		@	
		@	
		@	
TOTAL <u>905.00</u>			

CHARGE TO: Beren Corp.
 STREET _____
 CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

	@		
	@		
	@		
	@		
	@		
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 Tom R. Wighams
Allied Cementing

PRINTED NAME

Mud-Co / Service Mud. Inc.

100 S. Main St., Suite #310, Wichita, Ks. 67202

Report: **1**

Daily Drilling Mud Report

Date: **06/27/06** Depth: **0**

Operator Beren Corporation	Contractor Beredco Drilling	Rig No. 10
Address Rig	Address Rig	Spud Date 06/27/06
Report for Mr. Bryon Bynog	Report for Mr. Marvin Julian	Section 16
Well Name & No. #1-16 Milton	County Ness	Twp 16S
	State Kansas	Range 23W

Operation Present Activity	Casing	Mud Volume (BBL)		Circulation Data			
		Hole	Pits	Liner Size	Stroke	Opposite Drill Pipe	Pump Pressure
Rig Up	8 5/8 in. at	0	400	6	14	61	
Bit Size (in.) 12 1/4	No 1	Total Circulating Vol. 400		Pump Make & Model Ideco C250		Opposite Drill Collars 71	Pump Make
Drill pipe sz 4 1/2	Type XH	Volume in Storage 0		BBL/Strk 0.137	Strk/Min. 56	Bottoms Up (Min.) 1	Pump Model
Drill Collar size 6 1/4	Drilling mud type GEL/LIME			BBL/Min. 7.7	GAL/Min. 322	System Total (Min) 52	

Sample from Flowline ___ or Pit ___	Daily Mud Cost 0.00	Cumulative Mud Cost 0.00
Flowline Temperature ___	Mud Properties	

Time Sample Taken	12:15 P.M.
Depth (Ft.)	0
Weight (lb/gal.)	
Mud Gradient (psi/ft.)	0.000
Funnel Viscosity (Sec/qt. API)	
Plastic Viscosity cp	
Yield Point (lb/100 sq.ft.)	
Gel Strength 10 sec/10 min.	
pH	
Filtrate API (ml/30 min.)	make up
Cake Thickness 32nd	water
Alkalinity, Mud (Pm)	
Alkalinity, Filtrate (Pf/Mf)	
Chloride Content, ppm	500
Calcium, ppm	160
Sand Content (% by Vol)	
Solids Content (% by Vol.)	
Oil Content (% by Vol.)	
Water Content (% by Vol.)	
LCM, lbs/bbl.	
Reynold's #DP	
Reynold's # DC	
ECD lb/gal	

MUD PROPERTIES SPECIFICATIONS			
Mud Wt. (lbs/gal.)	Viscosity	Filtrate	LCM
9.4-10.0	38-40	No Cont	1-2 ppb.

- Suggest for surface hole:
- Mix up gel and lime for vis of 38-40 sec/ qt.
 - Add c/s hulls for LCM of 1-2 ppb.
 - Always Keep Hole Full!

Suggest for mud up.

- Drill out from under surface with plenty of fresh water and jet often 80 bbls fresh water
 - Flush hole as needed with 80 bbls. Of fresh water with the following:
25 sx. Gel
1 sx. Soda ash
LCM as needed.
 - Pretreat hole at 2700 ft. for possible loss circulation. Mix up the following in 80 bbls. Of fresh water:
25 sx. gel
1 sx. Soda ash
10-15 sx. c/s hulls.
 - Displace at 3400-3500.
 - Fill frac tank with the following:
80 bbls. Of fresh water
22 sx. Gel
1 sx. Soda ash
1 sx. Lignite
1 sx. Caustic soda
1/4 sx. Pac
2 sx. c/s hulls
 - Always Keep Hole Full!
 - Always Circulate Hole Clean Before Trips.
- THANK YOU

DRILLING MUD INVENTORY

Products:	Delivery	Transfer	On Hand	Used	Cost
Premium Gel	434		434		
Lime	11		11		
Soda Ash	26		26		
Caustic Soda	21		21		
Lignite	26		26		
C/S Hulls	124		124		
Drill Pak	7		7		
Desco					
Poly Plus	4		4		
Salt Clay					
Starch					

Keep suction as high as possible w/drilling, drop suction to jet

Mud-Co / Service Mud Representative Gary Schmidtberger	Home Address Hays, Ks.	Telephone Number 785-625-4931
Cell: 785-259-2757	Warehouse Location Pratt, Ks.	620-672-2957

Mud-Co / Service Mud. Inc.

100 S. Main St., Suite #310, Wichita, Ks. 67202

Report: **2**

Daily Drilling Mud Report

Date: **07/01/06** Depth: **3354**

Operator Beren Corporation		Contractor Beredco Drilling		Rig No. 10	
Address Rig		Address Rig		Spud Date 06/27/06	
Report for Mr. Bryon Bynog		Report for Mr. Marvin Julian		Section Twp Range 16 16S 23W	
Well Name & No. #1-16 Milton		County Ness		State Kansas	

Operation		Casing		Mud Volume (BBL)		Circulation Data			
Present Activity				Hole	Pits	Liner Size	Stroke	Opposite Drill Pipe	Pump Pressure
Drilling		8 5/8 in. at 225		241	400	6	14	203	900
Bit Size (in.)	No	Intermediate		Total Circulating Vol.		Pump Make & Model		Opposite Drill Collars	Pump Make
7 7/8	1	in. at		641		Ideco C250		369	
Drill pipe sz	Type	Production / Liner		Volume in Storage		BBL/ Strk	Strk / Min.	Bottoms Up (Min.)	Pump Model
4 1/2	XH	in. at		80		0.137	60	24	
Drill Collar size		Drilling mud type		BBL./Min.	GAL/Min.	System Total (Min)			
6 1/4	498	Native + Premix		8.2	345	78			

Sample from Flowline ___ or Pit ___	Daily Mud Cost	Cumulative Mud Cost
Flowline Temperature	3,889.06	3,889.06

Mud Properties	
Time Sample Taken	1:00 P.M.
Depth (Ft.)	3,354
Weight (lb/gal.)	9.3
Mud Gradient (psi/ft.)	0.484
Funnel Viscosity (Sec/qt. API)	29
Plastic Viscosity cp	
Yield Point (lb/100 sq.ft.)	
Gel Strength 10 sec/10 min.	
pH	6.0
Filtrate API (ml/30 min.)	n/c
Cake Thickness 32nd	
Alkalinity, Mud (Pm)	
Alkalinity, Filtrate (Pf/Mf)	
Chloride Content, ppm	47,000
Calcium, ppm	hvy
Sand Content (% by Vol)	tr
Solids Content (% by Vol.)	4.2
Oil Content (% by Vol.)	0.0
Water Content (% by Vol.)	95.8
LCM, lbs/bbl.	TR
Reynold's #DP	
Reynold's # DC	
ECD lb/gal	

MUD PROPERTIES SPECIFICATIONS			
Mud Wt. (lbs/gal.)	Viscosity	Filtrate	LCM
9.0-9.4	46-50	8-10	as needed

1. Run plenty of water and jet often.
2. Displace at 3400-3500.
3. After displacement add 1-2 vis cups of Poly Plus on Connections for 150 ft. after displacement.
4. After mud up and all volume tanks are in, mix all muds in pit mud.
5. Always Keep Hole Full!
6. Always Circulate Hole Clean Before Trips.

THANK YOU

DRILLING MUD INVENTORY					
Products:	Prior Day	Delivery	On Hand	Used	Cost
Premium Gel	434		217	217	2,224.25
Lime	11		3	8	66.00
Soda Ash	26		17	9	171.90
Caustic Soda	21		15	6	303.06
Lignite	26		20	6	126.60
C/S Hulls	124		117	7	82.25
Drill Pak	7		4	3	915.00
Desco					
Poly Plus	4		4		
Salt Clay					
Starch					

Mud-Co / Service Mud Representative Gary Schmidtberger	Home Address Hays, Ks.	Telephone Number 785-625-4931
Cell: 785-259-2757	Warehouse Location Pratt, Ks.	Telephone Number 620-672-2957

Mud-Co / Service Mud. Inc.

100 S. Main St., Suite #310, Wichita, Ks. 67202

Report: **3**

Daily Drilling Mud Report

Date: **07/02/06** Depth: **3964**

Operator Beren Corporation	Contractor Beredco Drilling	Rig No. 10
Address Rig	Address Rig	Spud Date 06/27/06
Report for Mr. Bryon Bynog	Report for Mr. Marvin Julian	Section 16 Twp 16S Range 23W
Well Name & No. #1-16 Milton	County Ness	State Kansas

Operation Drilling	Casing 8 5/8 in. at 225	Mud Volume (BBL) Hole 285 Pits 400	Liner Size 6 Stroke 14	Circulation Data Opposite Drill Pipe 203 Pump Pressure 900	
Bit Size (in.) 7 7/8 No 2	Intermediate in. at	Total Circulating Vol. 685	Pump Make & Model Ideco C-250	Opposite Drill Collars 369	Pump Make
Drill pipe sz 4 1/2 Type XH	Production / Liner in. at	Volume in Storage	BBV Strk 0.137 Strk / Min. 60	Bottoms Up (Min.) 28	Pump Model
Drill Collar size 6 1/4 495	Drilling mud type Chemical		BBL./Min. 8.2 GAL/Min. 345	System Total (Min.) 83	

Sample from Flowline ___ or Pit ___	Daily Mud Cost 1,088.38	Cumulative Mud Cost 4,977.44
Flowline Temperature	Mud Properties	

Time Sample Taken	10:50 A.M.
Depth (Ft.)	3,964
Weight (lb/gal.)	9.0
Mud Gradient (psi/ft.)	0.468
Funnel Viscosity (Sec/qt. API)	40
Plastic Viscosity cp	10
Yield Point (lb/100 sq.ft.)	17
Gel Strength 10 sec/10 min.	5/11
pH	11.0
Filtrate API (ml/30 min.)	7.6
Cake Thickness 32nd	1
Alkalinity, Mud (Pm)	0
Alkalinity, Filtrate (Pf/Mf)	1.1/1.4
Chloride Content, ppm	4,500
Calcium, ppm	TR
Sand Content (% by Vol)	tr
Solids Content (% by Vol.)	4.6
Oil Content (% by Vol.)	0.0
Water Content (% by Vol.)	95.4
LCM, lbs/bbl.	1
Reynold's #DP	
Reynold's # DC	
ECD lb/gal	

MUD PROPERTIES SPECIFICATIONS			
Mud Wt. (lbs/gal.) 9.0-9.4	Viscosity 46-50	Filtrate 8-10	LCM As needed.

1. Mix up the following in 40 bbls. Of pit mud & 40 bbls. Of fresh water:

- 2 sx. Caustic soda
- 2 sx. Soda ash
- 1/4 sx. Pac gel for vis (25 sx. Gel)

Add over 1 1/4 hour period

2. Add 1 sx. Caustic soda as needed for vis

3. If vis is needed mix up gel in pit mud.

4. Run stream of water at flowline to control wt.

5. Always Keep Hole Full!

6. Always Circulate Hole Clean Before Trips.

7. If hole pulls tight on connections, add 1-2 vis cups of Poly Plus down the pipe on connections.

THANK YOU

RESERVE PIT CHLORIDES: 32,000 ppm.

DRILLING MUD INVENTORY					
Products:	Prior Day	Delivery	On Hand	Used	Cost
Premium Gel	217		163	54	553.50
Lime	3		2	1	8.25
Soda Ash	17		13	4	76.40
Caustic Soda	15		11	4	202.04
Lignite	20		17	3	63.30
C/S Hulls	117		114	3	35.25
Drill Pak	4		4		
Desco					
Poly Plus	4		3	1	149.64
Salt Clay					
Starch					

Mud-Co / Service Mud Representative Gary Schmidtberger	Home Address Hays, Ks.	Telephone Number 785-625-4931
Cell: 785-259-2757	Warehouse Location Pratt, Ks.	Telephone Number 620-672-2957

Mud-Co / Service Mud, Inc.

100 S. Main St., Suite #310, Wichita, Ks. 67202

Report: **4**

Daily Drilling Mud Report

Date: **07/03/06** Depth: **4318**

Operator Beren Corporation		Contractor Beredco Drilling		Rig No. 10	
Address Rig		Address Rig		Spud Date 06/27/06	
Report for Mr. Bryon Bynog		Report for Mr. Marvin Julian		Section 16 Twp 16S Range 23W	
Well Name & No. #1-16 Milton		County Ness		State Kansas	

Operation		Casing		Mud Volume (BBL)		Circulation Data			
Present Activity				Hole	Pits	Liner Size	Stroke	Opposite Drill Pipe	Pump Pressure
Drilling		8 5/8	in. at 225	311	400	6	14	203	900
Bit Size (in.)	No	Intermediate		Total Circulating Vol.		Pump Make & Model		Opposite Drill Collars	Pump Make
7 7/8	2	in. at		711		Ideco C-250		369	
Drill pipe sz	Type	Production / Liner		Volume in Storage		BBL/ Strk	Strk / Min.	Bottoms Up (Min.)	Pump Model
4 1/2	XH	in. at		Volume		0.137	60	31	
Drill Collar size	Drilling mud type		BBL/Min.		GAL/Min.	System Total (Min.)			
6 1/4	495	Chemical		8.2	345	86			

Sample from Flowline <input type="checkbox"/> or Pit <input type="checkbox"/>	Daily Mud Cost	843.33	Cumulative Mud Cost	5,820.77
Flowline Temperature _____	Mud Properties			

Time Sample Taken	7:05 A.M.
Depth (Ft.)	4,318
Weight (lb/gal.)	9.4
Mud Gradient (psi/ft.)	0.489
Funnel Viscosity (Sec/qt. API)	52
Plastic Viscosity cp	10
Yield Point (lb/100 sq.ft.)	24
Gel Strength 10 sec/10 min.	9/18
pH	11.0
Filtrate API (ml/30 min.)	8.0
Cake Thickness 32nd	2
Alkalinity, Mud (Pm)	0
Alkalinity, Filtrate (Pf/Mf)	1.0/2.1
Chloride Content, ppm	4,000
Calcium, ppm	Nil
Sand Content (% by Vol)	tr
Solids Content (% by Vol.)	7.5
Oil Content (% by Vol.)	0.0
Water Content (% by Vol.)	92.5
LCM, lbs/bbl.	1
Reynold's #DP	
Reynold's # DC	
ECD lb/gal	

MUD PROPERTIES SPECIFICATIONS			
Mud Wt. (lbs/gal.)	Viscosity	Filtrate	LCM
9.0-9.4	46-50	8-10	As Needed

1. Add 1 sx. Caustis soda as needed for vis.
2. Run stream of water at flowline to control wt.
3. Mix all muds in 1/2 pit mud and 1/2 fresh water.
4. Always Keep Hole Full!
5. Always Circulate Hole Clean Before Trips.
6. If hole pulls tight on connections, add 1-2 vis cups of Poly Plus down the pipe on connections.

THANK YOU

DRILLING MUD INVENTORY

Products:	Prior Day	Delivery	On Hand	Used	Cost
Premium Gel	163		132	31	317.75
Lime	2		2		
Soda Ash	13		10	3	57.30
Caustic Soda	11		8	3	151.53
Lignite	17		17		
C/S Hulls	114		113	1	11.75
Drill Pak	4		3	1	305.00
Desco					
Poly Plus	3		3		
Salt Clay					
Starch					

Mud-Co / Service Mud Representative
Gary Schmidtberger

Home Address
Hays, Ks.

Telephone Number
785-625-4931

Cell: **785-259-2757**

Warehouse Location
Pratt, Ks.

Telephone Number
620-672-2957

Mud-Co / Service Mud. Inc.

100 S. Main St., Suite #310, Wichita, Ks. 67202

Report: **5**

Daily Drilling Mud Report

Date: **07/04/06** Depth: **4370**

Operator Beren Corporation		Contractor Beredco Drilling		Rig No. 10	
Address Rig		Address Rig		Spud Date 06/27/06	
Report for Mr. Bryon Bynog		Report for Mr. Marvin Julian		Section 16	Twp 16S
Well Name & No. #1-16 Milton		County Ness		State Kansas	
Range 23W					

Operation Present Activity TIH/DST#1		Casing 8 5/8 in. at 225		Mud Volume (BBL) Hole 350		Pits 400		Circulation Data Liner Size 6		Stroke 14		Opposite Drill Pipe 203		Pump Pressure 800	
Bit Size (in.) 7 7/8		No 2		Intermediate in. at		Total Circulating Vol. 750		Pump Make & Model Ideco C-250		Opposite Drill Collars 369		Pump Make			
Drill pipe sz 4 1/2		Type XH		Production / Liner in. at		Volume in Storage 0		BBL/ Strk 0.137		Strk / Min. 60		Bottoms Up (Min.) 36		Pump Model	
Drill Collar size 6 1/4		498		Drilling mud type Chemical		BBL./Min. 8.2		GAL/Min. 345		System Total (Min) 91					

Sample from Flowline <u> </u> x <u> </u> or Pit <u> </u>				Daily Mud Cost 714.57				Cumulative Mud Cost 6,535.34			
Flowline Temperature				Mud Prop: Ideco C-250							

Time Sample Taken	6:55 A.M.
Depth (Ft.)	4,370
Weight (lb/gal.)	9.3
Mud Gradient (psi/ft.)	0.484
Funnel Viscosity (Sec/qt. API)	48
Plastic Viscosity cp	9
Yield Point (lb/100 sq.ft.)	19
Gel Strength 10 sec/10 min.	5/14
pH	11.0
Filtrate API (ml/30 min.)	8.0
Cake Thickness 32nd	2
Alkalinity, Mud (Pm)	0
Alkalinity, Filtrate (Pf/Mf)	1.0/1.6
Chloride Content, ppm	4,000
Calcium, ppm	20
Sand Content (% by Vol)	TR
Solids Content (% by Vol.)	6.8
Oil Content (% by Vol.)	0.0
Water Content (% by Vol.)	93.2
LCM, lbs/bbl.	1
Reynold's #DP	
Reynold's # DC	
ECD lb/gal	

MUD PROPERTIES SPECIFICATIONS			
Mud Wt. (lbs/gal.)	Viscosity	Filtrate	LCM
9.0-9.4	44-48	8-10	As Needed

1. Run stream of water at flowline to control wt.
2. Add 1 sx. Caustic soda if needed for vis.
3. If vis is needed, mix up gel in pit mud and fresh water.
4. Always Keep Hole Full!
5. Always Circulate Hole Clean Before Trips.
6. If hole pulls tight, add 1-2 vis cups of Poly Plus down the pipe on connections.

THANK YOU

DRILLING MUD INVENTORY					
Products:	Prior Day	Delivery	On Hand	Used	Cost
Premlum Gel	132		85	47	481.75
Lime	3		3		
Soda Ash	10		9	1	19.10
Caustic Soda	8		6	2	101.02
Lignite	17		15	2	42.20
C/S Hulls	113		107	6	70.50
Drill Pak	3		3		
Desco					
Poly Plus	3		3		
Salt Clay					
Starch					

Mud-Co / Service Mud Representative Gary Schmidtberger	Home Address Hays, Ks.	Telephone Number 785-625-4931
Cell: 785-259-2757	Warehouse Location Pratt, Ks.	Telephone Number 620-672-2957

Mud-Co / Service Mud. Inc.

100 S. Main St., Suite #310, Wichita, Ks. 67202

Report: **6**

Daily Drilling Mud Report

Date: **07/05/06** Depth: **4550**

Operator Beren Corporation		Contractor Beredco Drilling		Rig No. 10	
Address Rig		Address Rig		Spud Date 06/27/06	
Report for Mr. Bryon Bynog		Report for Mr. Marvin Julian		Section 16 Twp 16S Range 23W	
Well Name & No. #1-16 Milton		County Ness		State Kansas	

Operation Logging		Casing 8 5/8 in. at 225		Mud Volume (BBL) Hole 364 Pits 400		Circulation Data	
Present Activity Logging		Intermediate in. at		Total Circulating Vol. 764		Opposite Drill Pipe 203	
Bit Size (in.) 7 7/8		Production / Liner in. at		Volume in Storage 80		Opposite Drill Collars 369	
Drill pipe sz 4 1/2		Drilling mud type Chemical		Liner Size 6		Pump Pressure 900	
Type XH				Stroke 14		Pump Make Ideco C-250	
Drill Collar size 6 1/4				BBL/Strk 0.137		Bottoms Up (Min.) 37	
495				Strk/Min. 60		Pump Model	
				BBL/Min. 8.2		System Total (Min.) 93	
				GAL/Min. 345			

Sample from Flowline <u> </u> x <u> </u> or Pit <u> </u>		Daily Mud Cost -57.74		Cumulative Mud Cost 6,477.60	
Flowline Temperature <u> </u>		Mud Properties			

Time Sample Taken 7:10 A.M.		MUD PROPERTIES SPECIFICATIONS	
Depth (Ft.) 4,550		Mud Wt. (lbs/gal.) 9.0-9.4	
Weight (lb/gal.)		Viscosity 46-50	
Mud Gradient (psi/ft.)		Filtrate 8-10	
Funnel Viscosity (Sec/qt. API)		LCM 1-2 ppb.	
Plastic Viscosity cp 4555			
Yield Point (lb/100 sq.ft.)			
Gel Strength 10 sec/10 min.			
pH			
Filtrate API (ml/30 min.)			
Cake Thickness 32nd			
Alkalinity, Mud (Pm)			
Alkalinity, Filtrate (Pf/Mf)			
Chloride Content, ppm			
Calcium, ppm			
Sand Content (% by Vol.)			
Solids Content (% by Vol.)			
Oil Content (% by Vol.)			
Water Content (% by Vol.)			
LCM, lbs/bbl.			
Reynold's #DP			
Reynold's # DC			
ECD lb/gal			

Mud Gradient (psi/ft.)			
Funnel Viscosity (Sec/qt. API)			
Plastic Viscosity cp 4555		LTD	
Yield Point (lb/100 sq.ft.)			
Gel Strength 10 sec/10 min.			
pH			
Filtrate API (ml/30 min.)			
Cake Thickness 32nd			
Alkalinity, Mud (Pm)			
Alkalinity, Filtrate (Pf/Mf)			
Chloride Content, ppm			
Calcium, ppm			
Sand Content (% by Vol.)			
Solids Content (% by Vol.)			
Oil Content (% by Vol.)			
Water Content (% by Vol.)			
LCM, lbs/bbl.			
Reynold's #DP			
Reynold's # DC			
ECD lb/gal			

Daily Mud Cost -57.74		Cumulative Mud Cost 6,477.60	
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Mud Wt. (lbs/gal.) 9.0-9.4		Viscosity 46-50		Filtrate 8-10		LCM 1-2 ppb.	
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FINAL REPORT

1- DST
Logs OK
D&A
Plugged hole

THANK YOU

RESERVE PIT VOLUME: 1000 bbls.

DRILLING MUD INVENTORY					
Products:	Prior Day	Delivery	On Hand	Used	Cost
Premium Gel	85		99	-14	-143.50
Lime	3		3		
Soda Ash	9		9		
Caustic Soda	6		5	1	50.51
Lignite	15		15		
C/S Hulls	107		104	3	35.25
Drill Pak	3		3		
Desco					
Poly Plus	3		3		
Salt Clay					
Starch					

Mud-Co / Service Mud Representative Gary Schmidtberger		Home Address Hays, Ks.		Telephone Number 785-625-4931	
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