

CONFIDENTIAL

ORIGINAL

KCC

OCT 11 2006

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

CONFIDENTIAL WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 3372
 Name: Dixon Energy, Inc.
 Address: 8100 E. 22nd Street N., Bldg. 1600 Suite C
 City/State/Zip: Wichita, Kansas 67226
 Purchaser: NA
 Operator Contact Person: Micheal W. Dixon
 Phone: (316) 264-9632
 Contractor: Name: Pickrell Drilling Company, Inc.
 License: 5123
 Wellsite Geologist: Micheal W. Dixon
 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: _____
 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. _____

<u>6-27-06</u>	<u>7-15-06</u>	<u>8-22-06</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 095-22043-0000
 County: Kingman
 App. NE NW NE Sec. 31 Twp. 29 S. R. 6 East West
4950' feet from S N (circle one) Line of Section
1800' feet from E W (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW SW
 Lease Name: Scheer Well #: 1
 Field Name: Spivey-Grabs Basil
 Producing Formation: Mississippian
 Elevation: Ground: 1478 Kelly Bushing: 1483
 Total Depth: 4200 Plug Back Total Depth: 4180
 Amount of Surface Pipe Set and Cemented at 259 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 *ALT I W/WHM*
 (Data must be collected from the Reserve Pit) *11-5-07*
 Chloride content 5800 ppm Fluid volume 900 bbls
 Dewatering method used Evaporation
 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: President Date: 10-10-06
 Subscribed and sworn to before me this 11th day of October
2006
 Notary Public: [Signature]
 Date Commission Expires: _____

DIANE L. DIXON
 Notary Public - State of Kansas
 My Appt. Expires 4-10-2010

KCC Office Use ONLY
 Letter of Confidentiality Received
 If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

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Operator Name: Dixon Energy, Inc. Lease Name: Scheer Well #: 1
 Sec. 31 Twp. 29 S. R. 6 East West County: Kingman

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 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:

CDN,DIL,MICRO

Log Formation (Top), Depth and Datum Sample

Name	Top	Datum
Heebner	3036	-1553
Lansing	3263	-1780
Stark	3690	-2207
Cherokee	3929	-2446
Mississippian	4095'	-2612

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	121/4	85/8	23#	259'	60/40 Poz	175	2%gel,3%CC
Production	77/8	41/2"	10.5#	4198'	ASC	100	5#Kseal,F160

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <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	4105-4109 and 4096-4102	750 gal 10% MCA, Swb. Good Show Gas	4096-4109
		1000 gal oil soluble 8% acetic. Gd Sho Gas	4096-4109
		& Oil	

TUBING RECORD		Size	Set At	Packer At	Liner Run
		23/8"	4093	None	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.		Producing Method			
NA		<input checked="" type="checkbox"/> Flowing <input 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
	2	100	3		

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 _____

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SCHEER #1
150'W, NE-NW-NE
SEC.31-T29S-R6W
KINGMAN COUNTY, KANSAS

DST #1 4101-4115
30-45-60-90
GTS 8". 1st Op. GA 50.9 MCF. 2nd Op. GA 58.2 MCF.
REC. 50' GCM
IFP 20-42#, FFP 24-55#. ISIP 1194#, FSIP 1172#
IHP 2048#, FHP 2022#
TEMP 124° F

DST#2 4115-4125
30-45-90-90
GTS 9". 1ST OP. GA 42 MCF, 2ND OP. GA 46 MCF.
REC. 130' SGCWM (8%W, Chl 40,000 ppm)
IFP 30-50#, FFP 35-66#. ISIP 1155#, FSIP1089#
IHP 2087#, FHP 1959#
TEMP 122°F

DST #3 4140-4148 (Straddle Test)
30-45-60-60
REC. 2890' GIP, 90' SGO & WCM (5%G, 5%O, 15%W), 60' SOCWM (5%O,
60%W, 35%M) 60'SW.
IFP19-59#, FFP 45-92#. ISIP 1070#, FSIP 1028#
IHP2062#, FHP 1992#
TEMP 130°F

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KCC WICHITA

ALLIED CEMENTING CO., INC.

24525

Federal Tax I.D.#

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

OCT 11 2006

SERVICE POINT:
Medicine Lodge

CONFIDENTIAL

DATE <u>7-15-06</u>	SEC. <u>31</u>	TWP. <u>29S</u>	RANGE <u>6W</u>	CALLED OUT <u>11:30 AM</u>	ON LOCATION <u>12:15 PM</u>	JOB START <u>7:15 PM</u>	JOB FINISH <u>8:00 AM</u>
LEASE <u>Scheer</u>	WELL # <u>1</u>	LOCATION <u>Rago Jct 4east</u>		COUNTY <u>Kingman</u>	STATE <u>Ks.</u>		
OLD OR <input checked="" type="radio"/> NEW (Circle one)			<u>1 1/2 north w/s</u>				

CONTRACTOR Pickrell Drilling
 TYPE OF JOB production
 HOLE SIZE 7 7/8 T.D. 4200'
 CASING SIZE 4 1/2 x 10.5 DEPTH 4200'
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX 1200 MINIMUM _____
 MEAS. LINE _____ SHOE JOINT 8'
 CEMENT LEFT IN CSG. _____
 PERFS. _____
 DISPLACEMENT 66 1/2 Bbls 2% KCl

OWNER Dixon - Dearmore
 CEMENT
 AMOUNT ORDERED 50 sk 60:40:4 + .4% SMS
100 sk ASC + 5# Kolseal + .5% FH-160 + .7% Gas Block
500 Gal mud-clean 10 Gal Clapro

COMMON	<u>30</u>	<u>A</u>	@	<u>10.65</u>	<u>319.50</u>
POZMIX	<u>20</u>		@	<u>5.80</u>	<u>116.00</u>
GEL	<u>2</u>		@	<u>16.65</u>	<u>33.30</u>
CHLORIDE			@		
ASC	<u>100</u>	<u>A</u>	@	<u>13.10</u>	<u>1310.00</u>
<u>Clapro 10 gal</u>			@	<u>25.00</u>	<u>250.00</u>
<u>Sodium Metasilicate 17#</u>			@	<u>1.95</u>	<u>33.15</u>
<u>FH-160 47#</u>			@	<u>10.65</u>	<u>500.55</u>
<u>Kol Seal 500#</u>			@	<u>1.00</u>	<u>500.00</u>
<u>Gas Block 66#</u>			@	<u>8.90</u>	<u>587.40</u>
			@		
			@		
			@		
HANDLING	<u>182</u>		@	<u>1.90</u>	<u>345.80</u>
MILEAGE	<u>45 X 182</u>		X	<u>.08</u>	<u>655.20</u>
					TOTAL <u>4650.90</u>

EQUIPMENT
 PUMP TRUCK CEMENTER Carl Belding
 # 414-302 HELPER Dennis Cushman
 BULK TRUCK
 # 364 DRIVER Randy McKinney
 BULK TRUCK
 # _____ DRIVER _____

REMARKS:

Run 4200' 4 1/2 csg drop ball + circulate for
pump 500 gals 2% KCl water 5 Bbls
freshwater + 500 Gal mud-clean + 5 Bbls freshwater
Plug bit + mouse w/ 25.5 x 60:40:4/mix + pump 25 sk
60:40:4 + .4% SMS scavenger cement + 100 sk
ASC + 5# Kolseal + .5% FH-160 + .7% Gas Block
Wash pump + lines + release plug + displace
with Bbls 2% KCl water. Pump plug
float held

SERVICE

DEPTH OF JOB	<u>4200'</u>			
PUMP TRUCK CHARGE				<u>1675.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>45</u>	@	<u>5.00</u>	<u>225.00</u>
MANIFOLD		@		
<u>Head Rental</u>		@	<u>100.00</u>	<u>100.00</u>

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TOTAL 2000.00

CHARGE TO: Dixon - Dearmore
 STREET _____
 CITY _____ STATE _____ ZIP _____

4 1/2" KCC WICHITA
 PLUG & FLOAT EQUIPMENT

<u>1- 8' Landing ft</u>	@	<u>13.50</u>	<u>108.00</u>
<u>1- Guide shoe</u>	@	<u>125.00</u>	<u>125.00</u>
<u>1- AFU Insert</u>	@	<u>215.00</u>	<u>215.00</u>
<u>9- turbo centralizers</u>	@	<u>55.00</u>	<u>495.00</u>
<u>1- TRP</u>	@	<u>55.00</u>	<u>55.00</u>
<u>80'- Rotating scratchers</u>	@	<u>55.00</u>	<u>880.00</u>
<u>16 sections</u>			

ANY APPLICABLE TAX
 WILL BE CHARGED
 UPON INVOICING
 TAX _____

TOTAL 1878.00

TOTAL CHARGE
 DISCOUNT IF PAID IN 30 DAYS

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

PRINTED NAME

ALLIED CEMENTING CO., INC.

16876

Federal Tax I.D.# 5-72750

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

OCT 11 2006

SERVICE POINT:

Medicine Lodge, KS

CONFIDENTIAL

DATE <u>27 Jun 06</u>	SEC. <u>31</u>	TWP. <u>29s</u>	RANGE <u>06w</u>	CALLED OUT <u>9:00 AM</u>	ON LOCATION <u>11:00</u>	JOB START <u>12:30 PM</u>	JOB FINISH <u>1:00 PM</u>
LEASE <u>Sheer</u>		WELL # <u>#1</u>	LOCATION <u>Page Sect 43 1/2 N</u>		COUNTY <u>Kingman</u>	STATE <u>KS</u>	
OLD OR NEW (Circle one) <u>NEW</u>			<u>west into</u>				

CONTRACTOR Pickell

TYPE OF JOB Sheer

HOLE SIZE 12 1/4 T.D. 265

CASING SIZE 5 1/8 DEPTH 265

TUBING SIZE _____ DEPTH _____

DRILL PIPE 4 1/2 DEPTH 265

TOOL _____ DEPTH _____

PRES. MAX 250 MINIMUM _____

MEAS. LINE _____ SHOE JOINT N/A

CEMENT LEFT IN CSG. 15'

PERFS. _____

DISPLACEMENT 16 Bbls Fresh H₂O

OWNER Dixon - Deermore

CEMENT

AMOUNT ORDERED 175sx 60:40:2%gel + 3%acc

COMMON	<u>105</u>	A	@	<u>10.65</u>	<u>1118.25</u>
POZMIX	<u>70</u>		@	<u>5.80</u>	<u>406.00</u>
GEL	<u>3</u>		@	<u>16.65</u>	<u>49.95</u>
CHLORIDE	<u>6</u>		@	<u>46.60</u>	<u>279.60</u>
ASC			@		
			@		
			@		
			@		
			@		
			@		
			@		
			@		
HANDLING	<u>184</u>		@	<u>1.90</u>	<u>349.60</u>
MILEAGE	<u>45</u>	X	<u>184</u>	X	<u>.08</u>
					<u>662.40</u>
					<u>TOTAL 2865.85</u>

EQUIPMENT

PUMP TRUCK CEMENTER D. Felis

352 HELPER M. Coley

BULK TRUCK

368 DRIVER T. Covault

BULK TRUCK

_____ DRIVER _____

REMARKS:

As on Bottom Blank Circ Pump 3rd L.
Run mix 175 sx 60:40:2%gel + 3%acc.
Stop Pump release plug Start Disc. Washup
on Plug. Slow rate start Pump Shut in
Big Down. Cement Did Circulate.

SERVICE

DEPTH OF JOB 265

PUMP TRUCK CHARGE _____ 815.00

EXTRA FOOTAGE _____ @ _____

MILEAGE 45 @ 5.00 225.00

Head Rent @ 100.00 100.00

_____ @ _____

_____ @ _____

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TOTAL 1140.00

KCC WICHITA

PLUG & FLOAT EQUIPMENT

MANIFOLD ~~_____~~ @ _____

Wooden Plug @ 60.00 60.00

_____ @ _____

_____ @ _____

ANY APPLICABLE TAX
WILL BE CHARGED UPON INVOICING - TOTAL 60.00

TAX _____

TOTAL CHARGE ~~_____~~

DISCOUNT ~~_____~~ IF PAID IN 30 DAYS

CHARGE TO: Dixon - Deermore

STREET _____

CITY _____ STATE _____ ZIP _____

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 Mike Kern

x Mike Kern
PRINTED NAME

Thank you