

ORIGINAL

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 # 6039
Name: L. D. DRILLING, INC.
Address: 7 SW 26 AVE
City/State/Zip: GREAT BEND, KS 67530
Purchaser: _____
Operator Contact Person: L. D. DAVIS
Phone: (620) 793-3051
Contractor: Name: VAL ENERGY, INC.
License: 5822
Wellsite Geologist: KIM SHOEMAKER

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. _____

5/08/08 5/16/08
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 025-21452-00-00
County: CLARK
SE ___ NW ___ SE ___ SW ___ Sec. 23 Twp. 31 S. R. 21 East West
700 feet from S (circle one) Line of Section
1750 feet from E (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: BLAU Well #: 1
Field Name: NA

Producing Formation: _____
Elevation: Ground: 2064' Kelly Bushing: 2074'
Total Depth: 5220' Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 763 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.

PA - Dia - 6/30/08

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)
Chloride content _____ ppm Fluid volume _____ 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.

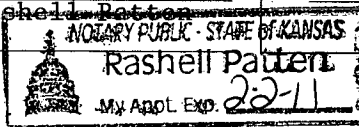
All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: [Signature]
Title: CLERK Date: JUNE 2, 2008

Subscribed and sworn to before me this 2 day of June

20 08
Notary Public: [Signature]

Date Commission Expires: 2-02-11



KCC Office Use ONLY
 Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
UIC Distribution
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JUN 03 2008

CONSERVATION DIVISION
WICHITA, KS

Operator Name: L. D. DRILLING, INC. Lease Name: BLAU Well #: 1
 Sec. 23 Twp. 31 S. R. 21 East West County: CLARK

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)

Log Formation (Top), Depth and Datum Sample
 Name Top Datum

List All E. Logs Run:

SEE ATTACHED

DUAL INDUCTION, & DUAL COMPENSATED POROSITY 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"	24#	763'	COMMON	175	3%CC, 2% GEL
					A-CON BLEND	200	3% CC, 2% GEL

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

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TUBING RECORD		Size	Set At	Packer At	Liner Run		
						<input type="checkbox"/> Yes	<input type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.			Producing Method				
			<input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> 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 _____

DAILY DRILLING REPORT

OPERATOR: **L.D. DRILLING, INC.** LEASE: **BLAU #1**
 SE NW SE SW Sec 23-31-21
 WELLSITE GEOLOGIST: Kim Shoemaker Clark Co., KS
 CONTRACTOR: VAL ENERGY, INC. ELEVATION: GR: 2064'
 KB: 2074'
 SPUD: 5/8/08 @ 1:30 A.M. PTD: 5500'
 SURFACE: Ran 17 jts 8 5/8" Surface Casing, Tally @ 748', Set @ 763' w/ 175 sx, Common 3%CC
 2% Gel, 200 sx A-Con Blend 3% CC, 2% Gel, by Basic Energy, Cement Did Circulate,
 Plug Down @ 7:00 P.M. 5/8/09

5/01/08 Move in to Spud Monday 5/5/08
 5/05/08 Waiting on welders to finish - spud tomorrow
 5/06/08 Too Wet to Start
 5/07/08 Starting up Today
 5/08/08 260' Drilling
 5/09/08 769' Drilling
 5/10/08 2515' Drilling
 5/11/08 3136' Drilling
 5/12/08 3791' Drilling
 5/13/08 4460' Drilling
 5/14/08 4900' Drilling
 5/15/08 5146' Rig repair (crown bearing out)
 5/16/08 5146' Finishing DST #1
 5/17/08 5220' Lay Down Pipe

DST #1 5072 - 5146' Inola
 TIMES: 30-30-30-30
 BLOW: 1st Open: blt to 2"
 2nd Open: 1/2" blow
 RECOVERY: 25' mud
 IFP: 11-13 ISIP: 30
 FFP: 12-18 FSIP: 27
 TEMP: 110 degrees
 Plugging:
 1st Plug @ 1120' w/ 50 sx, 2nd Plug @ 790' w/ 50 sx
 3rd Plug @ 330' w/ 40 sx, 4th Plug @ 60' w/ 20 sx
 5th Plug @ Rathole w/ 15 sx,
 6th Plug @ Mousehole w/ 10 sx
 Total 185 sx 60/40 Pozmix
 By Basic Energy, Plug Down @ 11:00 A.M. 5/17/08
 KCC: Richard Lacey

<u>SAMPLE TOPS:</u>			<u>LOG TOPS</u>	
Heebner	4221	(-2147)	4211	(-2137)
Brown Lime	4410	(-2336)	4400	(-2326)
Lansing	4431	(-2357)	4423	(-2349)
Stark	4774	(-2700)	4762	(-2688)
Base Kansas City	4880	(-2806)	4870	(-2796)
Marmaton	4802	(-2828)	4909	(-2835)
Cherokee Shale	5029	(-2955)	5019	(-2945)
Inola	5120	(-3046)	5111	(-3037)
Morrow Shale	5132	(-3058)	5117	(-3043)
Mississippi	5139	(-3065)	5122	(-3048)
RTD	5220	(-3146)	5212	(-3138)

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Bucklin 18 S to Protection BLK 4E 2 1/2 NE To Hwy

BASIC

energy services, L.P.

FIELD ORDER 18675

Subject to Correction

Date 5-17-08	Customer ID	Lease BLAU	Well # 1	Legal 23-31-21
		County CLARK	State KS	Station PROH
C H A R G E	Depth		Formation	
	Casing P.P.		Casing Depth	TD
	Customer Representative			Treater Robert Sullivan
	Shoe Joint N/A			
Job Type CNW P.T.A				

AFE Number	PO Number	Materials Received by X <i>Solv</i>	DLS
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Station Code	Product Code	QUANTITY	MATERIALS, EQUIPMENT, and SERVICES USED	UNIT PRICE	AMOUNT
P.	CP103	185 sk	60/140 Poz	-	2035.00
}	CC200	320 lb	Cement gel	-	80.00
	E101	140 mi	Heavy Equip Mileage		980.00
	E113	560 tm	Bulk Delivery		896.00
	E100	70 mi	pickup mileage		297.50
	CE240	185 sk	Blendita mixing charge		259.00
	5003	1 SA	Service Supervisor		175.00
P	CE202	1 SA	Depth charge 1001-2000'		1,500.00
				Discount Price	4,978.00
				Thank you	

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energy services, L.P.

TREATMENT REPORT

Customer <i>LID DRILLING INC</i>	Lease No.	Date <i>5-17-08</i>
Lease <i>BLAU</i>	Well # <i>1</i>	
Field Order # <i>18075</i>	Station <i>PRA-H</i>	Casing <i>D.P.</i>
Type Job <i>CNW P.T.A.</i>	Depth	County <i>CLARK</i>
	Formation	State <i>KS</i>
		Legal Description <i>23-31-21</i>

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME		
Casing Size	Tubing Size	Shots/Ft		Acid	RATE	PRESS	ISIP	
Depth	Depth	From	To	Pre Pad	Max		5 Min.	
Volume	Volume	From	To	Pad	Min		10 Min.	
Max Press	Max Press	From	To	Frac	Avg		15 Min.	
Well Connection	Annulus Vol.	From	To		HHP Used		Annulus Pressure	
Plug Depth	Packer Depth	From	To	Flush	Gas Volume		Total Load	

Customer Representative	Station Manager <i>DAVE SCOTT</i>	Treater <i>Robert Sullivan</i>
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Service Units	<i>19867</i>	<i>19806</i>	<i>19831</i>	<i>19862</i>					
Driver Names	<i>Sullivan</i>	<i>Mohr</i>	<i>ALBMAN</i>						

Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
<i>0900</i>					<i>on loc Sulfur media P.T.A.</i>
<i>0930</i>			<i>10</i>	<i>5</i>	<i>1120' 50 sk 60/40 per</i> <i>st 1 1/2" spacer</i>
			<i>12</i>		<i>mix 50 sk 60/40 per</i>
			<i>9</i>		<i>st w/ disc w/ wud</i>
<i>0940</i>					<i>st shut down</i>
					<i>790' w/ 50 sk</i>
<i>0955</i>			<i>10</i>	<i>5</i>	<i>st 1 1/2" spacer</i>
			<i>12</i>		<i>mix 50 sk 60/40 per</i>
<i>1003</i>			<i>5</i>	<i>5</i>	<i>Disp & shut down</i>
					<i>330' w/ 40 sk</i>
<i>1020</i>			<i>10</i>		<i>st 1 1/2" spacer</i>
			<i>10</i>		<i>mix 40 sk 60/40</i>
<i>1025</i>			<i>1</i>		<i>Disp & shut down</i>
<i>1048</i>			<i>5</i>	<i>1</i>	<i>Play Top 60' w/ 20 sk AND</i>
<i>1105</i>			<i>9</i>	<i>3</i>	<i>Play R.H. M.H.</i>

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Job Complete
Thank you

Bucklin - South to Protection Bkt Top - 4 E - 20 - 1/2 W - N/W Int U

BASIC

energy services, L.P.

FIELD ORDER 17703

Subject to Correction

Date	5-8-08	Customer ID		Lease	Blaw	Well #	1	Legal	23-31-21
CHARGE	L.D. Drilling Inc	Depth	763	County	Clark	State	KS	Station	Pratt
		Formation		Shoe Joint					44
		Casing	8 5/8 24'	Casing Depth	763	TD	769	Job Type	CNW Surface
		Representative	Rich Smith	Treater	Steve Orlando				

AFE Number		PO Number		Materials Received by	X Rick Smith	DLS
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Station Code	Product Code	QUANTITY	MATERIALS, EQUIPMENT, and SERVICES USED	UNIT PRICE	AMOUNT
P	CP101	200SK	A-Con Blend	-	3400.00
P	CP100	175SK	Common	-	2625.00
P	CC102	94Lb	Callo-flake	-	347.80
P	CC109	1059Lb	Calcium Chloride	-	1111.95
P	CC200	330Lb	Cement Gel	-	82.50
P	CF105	1ea	Top Rubber Cement Plug 8 5/8	-	225.00
P	CF1453	1ea	Flapper Type Insert Float Valve 8 5/8"	-	280.00
P	CF1903	1ea	Bsk. 1 8 5/8"	-	315.00
P	E101	140 mi	Heavy Vehicle Mileage		980.00
P	E113	12361 m	Bulk Delivery		1977.60
P	E100	70 mi	Pickup Mileage		297.50
P	CE240	350SK	Cement Service Charge		490.00
P	S003	1ea	Service Supervisor		175.00
P	CE201	1ea	Depth Charge 501'-1000'		1200.00
P	CE504	1ea	Plug Container		250.00
			Discreted price plus taxes		10,642.87

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Buckling-South 70 Protection Bkt Top-4E-2N-1/2W-N+WI 10

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energy services, L.P.

TREATMENT REPORT

Customer L.N. Drilling Inc.	Lease No.	Date 5-8-08
Lease Blau	Well # 1	
Field Order # 17703	Station Pratt	Casing 2 1/2" 8 5/8
	Depth 763	County Clark
Type Job CNW-Surface	Formation	State KS
		Legal Description 23-31-01

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME		
Casing Size	Tubing Size	Shots/Ft	Acid	RATE	PRESS	ISIP		
2 1/2"		200#s Acun 390 Cal Ch' or 20	390 Calset					
Depth 763	Depth	From 1/4" / 4"	To Well flare	Max		5 Min.		
Volume 48.5	Volume	From 175#s 390 bbl	To Common	Min		10 Min.		
Max Press	Max Press	From 390	To Well flare	Avg		15 Min.		
Well Connection P.C.	Annulus Vol.	From 1/4" 54	To Well flare	HHP Used		Annulus Pressure		
Plug Depth 47.7	Packer Depth	From	To	Flush 47.7 bbl	Gas Volume	Total Load		

Customer Representative Rick Smith	Station Manager Dave Scott	Treater Steve Orlando
Service Units 27283	19842	69889
Driver Names Orlando	Lesley	LaChance

Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
2:00 PM					On location - Safety meeting
					Run 17 Jk 8 5/8 Casing
					Basket on JT #14 Insert in JT #1
					Casing on Bottom
					Break Circulation with Rig
6:15	250		5	5	H2O All-out
6:16	250		91	5	Mix 200#s Acun @ 12#/gal
6:30	200		42	5	Mix 175#s Common @ 15#/gal
					Shut Down
					Release plug
6:50	0		0	5	Start Displacement
7:00	350		47.7	5	Plug Down - Hold
					Job Complete
					Thanks, Steve
					Circ Cmt to pit

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