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AUG 05 2005

KCC WICHITA

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

WELL COMPLETION FORM

WELL HISTORY - DESCRIPTION OF WELL & LEASE

Form ACO-1
September 1999
Form Must Be Typed

ORIGINAL

Operator: License # 30717

Name: DOWNING NELSON OIL CO., INC.

Address: P.O. Box 372

City/State/Zip: Hays, KS 67601

Purchaser: _____

Operator Contact Person: Ron Nelson

Phone: (785) 621-2610

Contractor: Name: Discovery Drilling Co., Inc.

License: 31548

Wellsite Geologist: Ron Nelson

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>6/17/05</u> | <u>6/23/05</u> | <u>6/23/05</u> |
| Spud Date or Recompletion Date | Date Reached TD | Completion Date or Recompletion Date |

API No. 15 - 195-22,296-00-00

County: Trego

190' S & 40' E of

SW SE NE Sec. 7 Twp. 13 S. R. 21 W East West

2500 feet from N (circle one) Line of Section

950 feet from E (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) NE SE NW SW

Lease Name: Morton Well #: 1-7

Field Name: Seibel

Producing Formation: None

Elevation: Ground: 2252 Kelly Bushing: 2260

Total Depth: 4013 Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at 221.82 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.

(10sks In Mouse Hole) (15sks In Rat Hole)

Drilling Fluid Management Plan AH. I SB 8-19-08

(Data must be collected from the Reserve Pit) P&A 6-23-05

Chloride content 11,000 ppm Fluid volume 300 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]

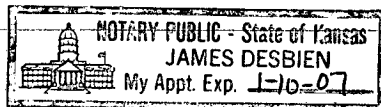
Title: VP Date: _____

Subscribed and sworn to before me this 14 day of July

2005

Notary Public: [Signature]

Date Commission Expires: 1-10-07



KCC Office Use ONLY

Letter of Confidentiality Attached

If Denied, Yes Date: _____

Wireline Log Received

Geologist Report Received

UIC Distribution

Operator Name: DOWNING-NELSON OIL CO., INC. Lease Name: Morton Well #: 1-7
 Sec. 7 Twp. 13 S. R. 21W East West County: Trego

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 <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (Attach Additional Sheets) Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (Submit Copy) List All E. Logs Run: | <input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Name</th> <th style="text-align: left;">Top</th> <th style="text-align: left;">Datum</th> </tr> </thead> <tbody> <tr> <td>Top Anhyorite</td> <td>1669</td> <td>+591</td> </tr> <tr> <td>Base Anhydrite</td> <td>1714</td> <td>+546</td> </tr> <tr> <td>Topeka</td> <td>3334</td> <td>-1074</td> </tr> <tr> <td>Heebner</td> <td>3560</td> <td>-1300</td> </tr> <tr> <td>Toronto</td> <td>3576</td> <td>-1316</td> </tr> <tr> <td>LKC</td> <td>3594</td> <td>-1334</td> </tr> <tr> <td>BKC</td> <td>3833</td> <td>-1573</td> </tr> <tr> <td>Marmaton</td> <td>3916</td> <td>-1656</td> </tr> <tr> <td>Cherokee Sh.</td> <td>3958</td> <td>-1698</td> </tr> </tbody> </table> | Name | Top | Datum | Top Anhyorite | 1669 | +591 | Base Anhydrite | 1714 | +546 | Topeka | 3334 | -1074 | Heebner | 3560 | -1300 | Toronto | 3576 | -1316 | LKC | 3594 | -1334 | BKC | 3833 | -1573 | Marmaton | 3916 | -1656 | Cherokee Sh. | 3958 | -1698 |
|--|--|-------|-----|-------|---------------|------|------|----------------|------|------|--------|------|-------|---------|------|-------|---------|------|-------|-----|------|-------|-----|------|-------|----------|------|-------|--------------|------|-------|
| Name | Top | Datum | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Top Anhyorite | 1669 | +591 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Base Anhydrite | 1714 | +546 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Topeka | 3334 | -1074 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Heebner | 3560 | -1300 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Toronto | 3576 | -1316 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Marmaton | 3916 | -1656 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cherokee Sh. | 3958 | -1698 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| 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 | # Sacjs Used | Type and Percent Additives |
| Surface Pipe | 12 1/4 | 8 5/8 | 23 | 221.82 | Common | 150 | 2%Gel&3%CC |
| | | | | | | | |

| 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 |
|----------------|---|---|-------|
| | | | |
| | | | |
| | | | |
| | | | |

| | | | | |
|--|-----------|---|-------------|--|
| 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 Bbls. | Gas Mcf | Water Bbls. | 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.

21527

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

SERVICE POINT

Russell

| | | | | | | | |
|--|------------------|------------------------------|---------------------|---------------------------|----------------------------|--------------------------|---------------------------|
| DATE <i>6/23/05</i> | SEC <i>7</i> | TWP <i>13</i> | RANGE <i>21 W</i> | CALLED OUT <i>1:30 pm</i> | ON LOCATION <i>3:00 pm</i> | JOB START <i>5:00 pm</i> | JOB FINISH <i>8:30 pm</i> |
| LEASE <i>Morton</i> | WELL# <i>1-7</i> | LOCATION <i>Rigs 1 S 2 W</i> | COUNTY <i>Trego</i> | STATE <i>Ks.</i> | | | |
| <input checked="" type="radio"/> OLD OR NEW (Circle one) | | | <i>1/2 S W into</i> | | | | |

CONTRACTOR *Discovery Drilling #2*

TYPE OF JOB *Rotary Plug*

HOLE SIZE *7 7/8* T.D. *4013*

CASING SIZE _____ DEPTH _____

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 *200 60/40 69.6 gal*

1/4 # Flt

COMMON _____ @ _____

POZMIX _____ @ _____

GEL _____ @ _____

CHLORIDE _____ @ _____

ASC _____ @ _____

EQUIPMENT

PUMP TRUCK CEMENTER *Shane*

366 HELPER *Mark*

BULK TRUCK

217 DRIVER *Fred*

BULK TRUCK

_____ DRIVER _____

RECEIVED

AUG 05 2005

KCC@WICHITA

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

HANDLING _____ @ _____

MILEAGE _____ @ _____

REMARKS:

1700' - 25 sks

925' - 100 sks

275' 40 sks

40' 10 sks

Rat Hole 15 sks

Misc Hole 10 sks

SERVICE

DEPTH OF JOB _____

PUMP TRUCK CHARGE _____

EXTRA FOOTAGE _____ @ _____

MILEAGE _____ @ _____

MANIFOLD _____ @ _____

_____ @ _____

_____ @ _____

CHARGE TO: *Downing Nelson Oil Co Inc.*

STREET _____

CITY _____ STATE _____ ZIP _____

TOTAL _____

PLUG & FLOAT EQUIPMENT

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

To Allied Cementing Co., Inc.
You are hereby requested to rent cementing equipment