

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: L. D. DRILLING, INC.
License: 6039
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. _____

8/23/07 8/30/07
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 065-23336-0000
County: GRAHAM
NW SE SW NE Sec. 5 Twp. 9 S. R. 22 East West
900 feet from (S) N (circle one) Line of Section
1385 feet from E / (W) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW (SW)
Lease Name: RICE 5-C Well #: 1

Field Name: _____
Producing Formation: _____
Elevation: Ground: 2329' Kelly Bushing: 2334'
Total Depth: 3990' Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 1128 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 Hm
(Data must be collected from the Reserve Pit) 3-11-08
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: Susan Schneeweis
Title: CLERK Date: OCTOBER 26, 2007

Subscribed and sworn to before me this 26 day of October,
2007.

Notary Public: Bessie M. DeWerff
Date Commission Expires: 5-20-09

NOTARY PUBLIC - State of Kansas
BESSIE M. DeWERFF
My Appt. Exp. 5-20-09

KCC Office Use ONLY
 Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
RECEIVED
KANSAS CORPORATION COMMISSION
OCT 30 2007
CONSERVATION DIVISION
WICHITA, KS

Operator Name: L. D. DRILLING, INC. Lease Name: RICE 5-C Well #: 1
 Sec. 5 Twp. 9 S. R. 22 East West County: GRAHAM

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:

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

SEE ATTACHED

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#	1128'	60/40 POZMIX	425	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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 WICHITA, KS

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 METHOD OF COMPLETION Production Interval

Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled _____
 (If vented, Submit ACO-18.) Other (Specify) _____

DAILY DRILLING REPORT

OPERATOR: **L.D. DRILLING, INC.** LEASE: **RICE 5-C #1**
 NW SE SW Sec 5-9-22
 WELLSITE GEOLOGIST: **KIM SHOEMAKER** Graham Co., KS
 CONTRACTOR: **L.D. DRILLING, INC.** ELEVATION: GR: 2329'
 KB: 2334'
 SPUD: **8/23/07 @ 6:00 P.M.** PTD: 3850'
 SURFACE: Ran 32 jts New 24# 8 5/8", Tally 1120.36', Set @ 1128' w/ 425 sx 60/40 Pozmix, 3%CC, 2% Gel, Did Circulate, by Allied, Strap & Weld 1st 3 jts & tack weld the rest, by Scotts Welding, Plug Down 9:00 P.M. from 8/24/07

8/23/07 Finish Moving In, Rig Up & Spud
 8/24/07 720' Drilling Surface Hole
 8/25/07 1131' Drilling Plug, Drilled a rubber plug, baffel plates & 25' of cement
 8/26/07 2340' Rig check
 8/27/07 3085' Drilling - Displace @ 3219'
 8/28/07 3670' CFS
 8/29/07 3780' Drilling
 8/30/07 3990' RTD - Lay Down Drill Pipe

Plugging:
 1st Plug @ 1925' w/ 25 sx
 2nd Plug @ 1175' w/ 100 sx
 3rd Plug @ 40' w/ 10 sx
 4th Plug @ Rathole w/ 15 sx
 Total 150 sx of 60/40 Pozmix 4% Gel, 1/4# FloSeal
 Plug Down @ 1:30 P.M. 8/30/07 by Allied Cementing

SAMPLE TOPS:

Anhy	Top	1908	+426
Anhy	Base	1941	+393
Heebner		3568	(-1234) +13 to dry hole\
Lansing		3605	(-1271) to SW
Base Kansas City		3824	(-1490)
RTD		3990	(-1656)

DST #1 3624 - 3691'
 TIMES: 30-45-45-60
 BLOW: 1st Open: weak 1/4" inc to 4 1/2"
 2nd Open: weak sb inc to 4 1/2"
 RECOVERY: 107' water mud
 IFP: 17-35 ISIP: 900
 FFP: 37-63 FSIP: 885
 TEMP: 111 degrees

DST #2 3750 - 3825'
 TIMES: 30-30
 BLOW: 1st Open: weak 1/4" died in 18 min
 2nd Open: N/A
 RECOVERY: 3' Drilling Mud
 IFP: 13-14 ISIP: 31
 TEMP: 110 degrees

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OCT 30 2007

CONSERVATION DIVISION
 WICHITA, KS

ALLIED CEMENTING CO., INC.

25730

Federal Tax I.D.

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

SERVICE POINT:

DATE <u>8-24-07</u>	SEC. <u>5</u>	TWP. <u>9</u>	RANGE <u>22</u>	CALLED OUT	ON LOCATION	JOB START <u>8:00 AM</u>	JOB FINISH <u>9:00 PM</u>
LEASE <u>Rice</u>	WELL # <u>5-C</u>	LOCATION <u>Hill City 7s 2E 2 1/2 N</u>			COUNTY <u>Ellipton</u>	STATE <u>Kansas</u>	
OLD OR NEW (Circle one) <u>NEW</u>				<u>1/4 E 1/4 S INTO</u>			

CONTRACTOR L-D. Drilling Rig #1

TYPE OF JOB Long SURFACE

HOLE SIZE 12 1/4 T.D. 1131'

CASING SIZE 8 7/8 New DEPTH 1128'

TUBING SIZE #5 1/2 DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOES JOINT 25 25

CEMENT LEFT IN CSG 25.85

PERFS.

DISPLACEMENT 70.2' / Bob

OWNER

CEMENT AMOUNT ORDERED 42.5 SK @ 60/40

2 3/4 Gel

3 3/4 C C

COMMON 2.55 SK @ 11.00

POZMIX 170 SK @ 6.00

GEL 8 SK @ 16.00

CHLORIDE 12 SK @ 46.00

ASC @

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WICHITA, KS

EQUIPMENT

PUMP TRUCK CEMENTER Glenn

398 HELPER BOB

BULK TRUCK

399 DRIVER ALVIN OKLEY

BULK TRUCK

DRIVER

HANDLING 445 Total SK @ 1.90

MILEAGE 85 Total Mile @ 1.00

TOTAL

REMARKS:

Long Plug on top @ 600'

Cement Circulated

THANKS

SERVICE

DEPTH OF JOB

PUMP TRUCK CHARGE

EXTRA FOOTAGE @

MILEAGE 85 @

MANIFOLD @

@

@

@

CHARGE TO: L-D. DRILLING INC.

STREET

CITY STATE ZIP

TOTAL

PLUG & FLOAT EQUIPMENT

8 7/8 Solid Rubber Plug

8 7/8 BAF Flo. Plug @

@

@

@

@

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 Bill Owen

Bill Owen
PRINTED NAME

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "Allied" shall mean Allied Cementing Co., Inc., and "Customer" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "merchandise" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

—**TERMS:** Unless satisfactory credit has been established, "CUSTOMER" must tender full cash payment to "ALLIED" before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, "CUSTOMER" agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwithstanding the foregoing, in no event shall this Contract provide for interest exceeding the maximum rate of interest that "CUSTOMER" may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate, any amounts previously paid as excess interest shall be deducted from the amounts owing from the "CUSTOMER" or at the option of "ALLIED," refunded directly to "CUSTOMER." For purposes of this paragraph, ALLIED and CUSTOMER agree that KANSAS law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.

—**ATTORNEY FEES:** In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the terms of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limited to, a reasonable sum as and for attorney's fees.

—**PRICES AND TAXES:** All merchandise listed in "ALLIED'S" current price schedule are F.O.B. ALLIED'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by ALLIED shall be added to the quoted prices charged to CUSTOMER.

—**TOWING CHARGES:** ALLIED will make a reasonable attempt to get to and from each job site using its own equipment. Should ALLIED be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ a tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by ALLIED, will be charged to and paid by CUSTOMER.

—**PREPARATION CHARGES:** If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay ALLIED for the expenses incurred by ALLIED as a result of the cancellation.

—**DEADHAUL, CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charge as set forth in ALLIED'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.

—**SERVICE CONDITIONS AND LIABILITIES:** 1. ALLIED carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond ALLIED'S control, ALLIED shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. Customer shall be responsible for and indemnify, defend, and hold harmless ALLIED, its officers, agents and employees, from and against any and all claims or suits for:

(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with ALLIED'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of ALLIED or its employees.

2. With respect to any of ALLIED'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to ALLIED at the landing, CUSTOMER shall either recover the lost item without cost to ALLIED or reimburse ALLIED the current replacement cost of the item unless the loss or damage results from the sole negligence of ALLIED or its employees.

3. ALLIED does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

WARRANTIES: 1. ALLIED warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. ALLIED'S obligation under this warranty is expressly limited to repair, replacement, or allowance for credit, at its option, for any merchandise which is determined by ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and ALLIED shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.

2. More specifically:

(A) Nothing in this contract shall be construed as a warranty by ALLIED of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.

(B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.

(C) Work done by ALLIED shall be under the direct supervision and control of the CUSTOMER or his agent and ALLIED will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

ALLIED CEMENTING CO., INC.

25638

Federal Tax I.D.

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

SERVICE POINT:

Russell

DATE	8-30-07	SEC.	5	TWP.	9S	RANGE	22W	CALLED OUT		ON LOCATION		JOB START	11:30am	JOB FINISH	1:30pm
LEASE	Rice	WELL #	1	LOCATION	Wakenaw "S" RD 2E			COUNTY	Graham	STATE	KS				
OLD OR NEW (Circle one)		2 1/2" N E + S into													

CONTRACTOR L.D. Drilling
 TYPE OF JOB Rotary Plug
 HOLE SIZE _____ T.D. 3990
 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 175 69/100 496 Gel 1/4 #10

EQUIPMENT
 PUMP TRUCK CEMENTER Craig
 # 409 HELPER Adrian
 BULK TRUCK
 # 213 DRIVER Matt
 BULK TRUCK
 # _____ DRIVER _____

COMMON	105	@	11 ¹⁰	1165 ⁵⁰
POZMIX	70	@	6 ²⁰	434 ⁰⁰
GEL	7	@	16 ⁶⁵	116 ⁵⁵
CHLORIDE		@		
ASC		@		
FLO-SEAL	50 ⁰⁰	@	2 ⁰⁰	100 ⁰⁰
HANDLING	182	@	1 ⁹⁰	345 ⁸⁰
MILEAGE	97/500/mile			1130 ²²
TOTAL				3292 ⁰⁷

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 WICHITA, KS

REMARKS:

~~1st Plug @ 3990 155x~~
 1st Plug @ 1925 255x
 2nd Plug @ 1175 1005x
 3rd Plug @ 40' 105x

Rathole 155x

Thanks!

CHARGE TO: L.D. Davis
 STREET _____
 CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB _____
 PUMP TRUCK CHARGE _____ 815⁰⁰
 EXTRA FOOTAGE _____ @ _____
 MILEAGE 69 @ 6⁰⁰ 414⁰⁰
 MANIFOLD _____ @ _____
 TOTAL 1229⁰⁰

PLUG & FLOAT EQUIPMENT

1 8 5/8 wooden plug @ _____ 35⁰⁰
 @ _____
 @ _____
 @ _____
 @ _____
 TOTAL 35⁰⁰

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 [Signature]

PRINTED NAME _____