

ORIGINAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
October 2008
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 34120
Name: K-B Kansas Operating LLC
Address 1: 820 S. Macarthur Blvd
Address 2: Suite 105-364
City: Coppell State: TX Zip: 75019 +
Contact Person: Dwight Brehm
Phone: (972) 526-5850
CONTRACTOR: License # 33493
Name: American Eagle Drilling, LLC
Wellsite Geologist: Ed Glassman
Purchaser: NCRA

API No. 15 - 195-22548-0000
Spot Description: _____
NW - SW - NE Sec. 29 Twp. 11 S. R. 22 East West
1,650 Feet from North / South Line of Section
2,310 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Trego
Lease Name: Nilhas Trust Well #: 1-29
Field Name: Shaw Creek
Producing Formation: Marmaton
Elevation: Ground: 2379 Kelly Bushing: 2386

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW
 Gas ENHR SIGW
 CM (Coal Bed Methane) Temp. Abd.
 Dry Other _____
(Core, WSW, Expl., Cathodic, etc.)

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JAN 23 2009
CONSERVATION DIVISION
WICHITA, KS

If Workover/Re-entry: Old Well Info as follows:
Operator: _____
Well Name: _____
Original Comp. Date: _____ Original Total Depth: _____
 Deepening Re-perf. Conv. to Enhr. Conv. to SWD
 Plug Back: _____ Plug Back Total Depth
 Commingled Docket No.: _____
 Dual Completion Docket No.: _____
 Other (SWD or Enhr.?) Docket No.: _____

Total Depth: 4,110 Plug Back Total Depth: 4,061
Amount of Surface Pipe Set and Cemented at: 265 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set: 1,984 Feet
If Alternate II completion, cement circulated from: 1984
feet depth to: surface w/ 250 ^{SK CNT}

Spud Date or 10/08/08 Date Reached TD 10/15/08 Completion Date or 11/21/08
Recompletion Date _____ Recompletion Date _____

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)
Chloride content: 2500 ppm Fluid volume: 100 bbls
Dewatering method used: Truck
Location of fluid disposal if hauled offsite:
Operator Name: Bear Petroleum inc.
Lease Name: Flax B-3 License No.: 4419
Quarter SE Sec. 3 Twp. 11 S. R. 22 East West
County: Trego Docket No.: D-28,412

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: Dwight Brehm
Title: Manager Date: 1.21.09
Subscribed and sworn to before me this 21ST day of January,
09
Notary Public: Paul Kimball
Date Commission Expires: 10/31/2012

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

PAUL KIMBALL
Notary Public, State of Texas
My Commission Expires
October 31, 2012

FEB 05 2009
CONSERVATION DIVISION
WICHITA, KS

Operator Name: K-B Kansas Operating LLC Lease Name: Nilhas Trust Well #: 1-29
 Sec. 29 Twp. 11 S. R. 22 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No (Submit Copy) List All E. Logs Run: Dual Induction, dual Compensated Prosrity, Microlog	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Anhydrite</td> <td>1,844</td> <td>+542</td> </tr> <tr> <td>Heebner</td> <td>3,616</td> <td>-1,230</td> </tr> <tr> <td>Lansing</td> <td>3,655</td> <td>-1264</td> </tr> <tr> <td>B/Kansas City</td> <td>3,888</td> <td>-1,502</td> </tr> <tr> <td>Marmaton</td> <td>3,982</td> <td>-1596</td> </tr> <tr> <td>Arbuckle</td> <td>4,084</td> <td>-1698</td> </tr> </table>	Name	Top	Datum	Anhydrite	1,844	+542	Heebner	3,616	-1,230	Lansing	3,655	-1264	B/Kansas City	3,888	-1,502	Marmaton	3,982	-1596	Arbuckle	4,084	-1698
Name	Top	Datum																				
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CASING RECORD <input 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"	23#	265	common	175	
Production	7 7/8"	5 1/2"	15.5#	4,097	Q-pro	150	10% salt, 500 gallon mud clear

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input checked="" type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone	1984	QMDC	250	

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 spf	3,990 - 3,995	500 Gallons acid 15% MCA	

TUBING RECORD: Size: <u>2 3/8"</u> Set At: <u>4,015</u> Packer At: _____		Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or Enhr. <u>11.22.08</u>	Producing Method: <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)	
Estimated Production Per 24 Hours	Oil Bbls. <u>62</u>	Gas Mcf <u>0</u> Water Bbls. <u>0</u> Gas-Oil Ratio _____ Gravity <u>34</u>

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease (If vented, Submit ACO-18.)	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: <u>3990-95</u>
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Quality Oilwell Cementing Inc.

740 W WICHITA
P.O. Box 32
Russell, KS 67665

Invoice

Date	Invoice #
10/9/2008	1134

Bill To
K-B KANSAS OPERATING INC 820 S MACARTHUR BLVD SUITE 105-364 COPPELL TX 75019

P.O. No.	Terms	Project
34120	Net 30	

Quantity	Description	Rate	Amount
175	common	13.10	2,292.50
3	GEL	19.00	57.00
6	Calcium	50.00	300.00
184	handling	2.10	386.40
11,592	.09 * 184 SACKS * 63 MILES	0.09	1,043.28
1	surface pipes 0-500ft	910.00	910.00
35	pump truck mileage charge	7.00	245.00
523	discount 10% if paid within 30 days DISCOUNT HAS ALREADY BEEN DEDUCTED	-1.00	-523.00
	LEASE: NILHAS TRUST WELL #1-29 Trego county Sales Tax	5.80%	153.67
RECEIVED KANSAS CORPORATION COMMISSION JAN 23 2009 CONSERVATION DIVISION WICHITA, KS			
Thank you for your business. Dave			Total \$4,864.85

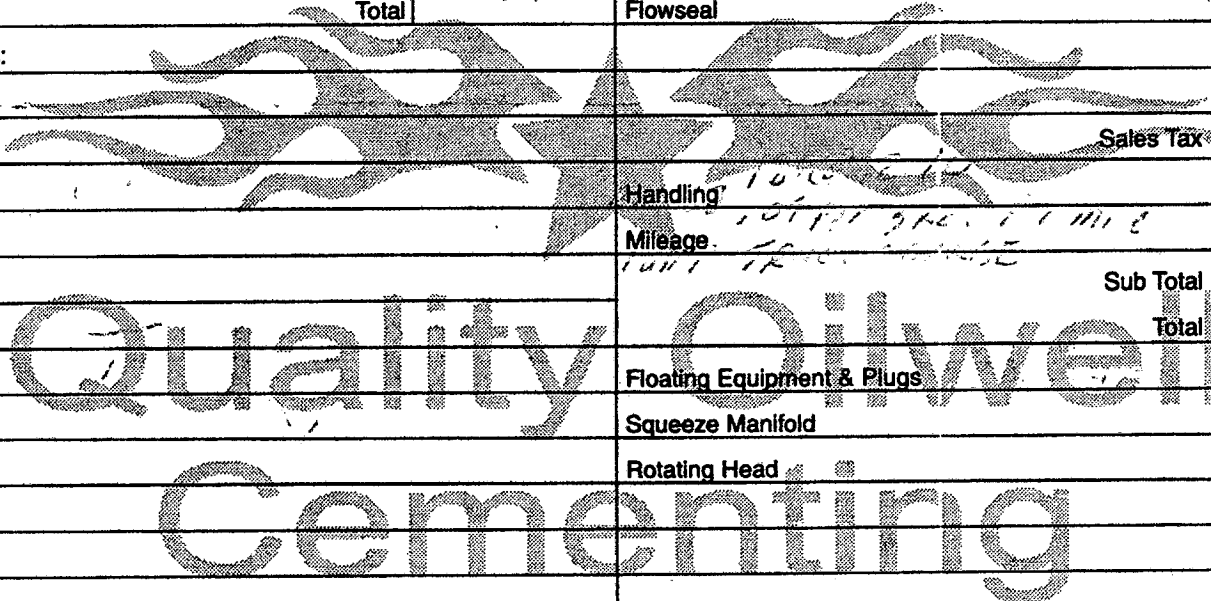
QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 0000

Date	Sec.	Twp.	Range	Called Out	On Location	Job Start	Finish
Lease		Well No.		Location		County	State
Contractor				Owner			
Type Job				To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.			
Hole Size		T.D.		Charge To			
Csg.		Depth		To			
Tbg. Size		Depth		Street			
Drill Pipe		Depth		City		State	
Tool		Depth		The above was done to satisfaction and supervision of owner agent or contractor.			
Cement Left in Csg.		Shoe Joint					
Press Max.		Minimum					
Meas Line		Displace		CEMENT			
Perf.				Amount Ordered			
EQUIPMENT				Consisting of			
Pumptrk	No.	Cementer		Common		2292.50	
		Helper		115 @ 15.10			
Bulktrk	No.	Driver		Poz. Mix		3 @ 17.00	
		Driver		Gel.		6 @ 50.00	
Bulktrk	No.	Driver		Chloride		3000.00	
		Driver		Hulls			
JOB SERVICES & REMARKS				Salt			
Pumptrk Charge		710.00		Flowseal			
Mileage		245.00		Handling		306.70	
Footage		1155.00		Mileage		1075.00	
Total		1155.00				1155.00	
Remarks:						Sub Total	
						Total	
				Floating Equipment & Plugs			
				Squeeze Manifold			
				Rotating Head			
						Tax	
						Discount	
X Signature						Total Charge	



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JAN 23 2009
CONSERVATION DIV
WICHITA, KS

Quality Oilwell
Cementing

153.67
Tax
(153.67)
Discount
4067.85
Total Charge

Quality Oilwell Cementing Inc.

Invoice

740 W WICHITA
 P.O. Box 32
 Russell, KS 67665

Date	Invoice #
11/17/2008	1202

Bill To
K-B KANSAS OPERATING INC 820 S MACARTHUR BLVD SUITE 105-364 COPPELL TX 75019

P.O. No.	Terms	Project
	Net 30	

Quantity	Description	Rate	Amount
250	QUALITY MDC	20.10	5,025.00T
80	Celloseal	2.00	160.00T
325	handling	2.10	682.50
20,475	.09 * 325 SACKS * 63 MILES	0.09	1,842.75
1	opening tool port collar	125.00	125.00
1	pump truck charge PORT COLLAR	1,025.00	1,025.00
35	pump truck mileage charge	7.00	245.00
911	discount 10% if paid within 30 days DISCOUNT HAS ALREADY BEEN DEDUCTED	-1.00	-911.00
	LEASE: NILHAS FAMILY TRUST WELL #1-29 Trego county Sales Tax	5.80%	300.73
Thank you for your business. Dave		Total	\$8,494.98

RECEIVED
 KANSAS CORPORATION COMMISSION
 JAN 23 2009
 CONSERVATION DIVISION
 WICHITA, KS

QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 2009

Date 11-13-08		Sec.	Twp.	Range	Called Out	On Location	Job Start	Finish
Lease Nilgas		Well No. 1-29		Location 2 miles NW 2 West		County 11890	State Ks	
Contractor Ultimate Well Service				Owner IN W&U				
Type Job Port Collar				To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.				
Hole Size 7 7/8		T.D.		Charge To KIS Kansas Operating				
Csg. 5 1/2		Depth		Street				
Tbg. Size 2 3/8		Depth		City				
Drill Pipe		Depth		State				
Tool		Depth 1984		The above was done to satisfaction and supervision of owner agent or contractor.				
Cement Left in Csg.		Shoe Joint						
Press Max.		Minimum						
Meas Line		Displace 6 3/4						
Perf.				Use 250 275 3x CEMENT				
EQUIPMENT				Amount Ordered 325 QMDC 1/1 Chemical				
Pumptrk	1	No.	Cementer	Consisting of				
			Helper	Common 250 220				
Bulktrk	7	No.	Driver	Poz. Mix				
			Driver	Gel.				
Bulktrk	21	No.	Driver	Chloride				
			Driver	Hulls				
JOB SERVICES & REMARKS				Salt				
Pumptrk Charge Port Collar		1025.00		Flowseal 80 2x 200 160.00				
Mileage 351 27.00		245.00		Remarks:				
Footage				<div style="text-align: right;"> Sales Tax Handling 325 2 682.50 Mileage 53 9x 20x sk dev hill 1842.75 Sub Total 1270.00 </div>				
Total		1270.00		<div style="text-align: right;"> Tax 300.73 Discount (911.00) Total Charge 8494.98 </div>				
Remarks:				<div style="text-align: center; font-size: 2em; opacity: 0.5;"> Quality Oilwell Cementing </div>				
Pumptrk Charge Port Collar Mileage 351 27.00 Footage Total 1270.00				Handling 325 2 682.50 Mileage 53 9x 20x sk dev hill 1842.75 Sub Total 1270.00 Tax 300.73 Discount (911.00) Total Charge 8494.98				
Signature _____								

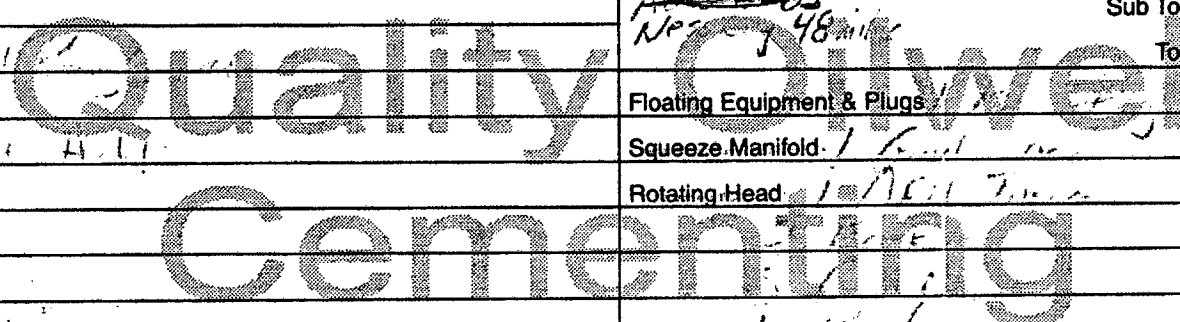
QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 0071

Date	Sec.	Twp.	Range	Called Out	On Location	Job Start	Finish
11/1/02	29	7	22				
Lease	Well No.		Location			County	State
Contractor				Owner			
Type Job				To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.			
Hole Size		T.D.		Charge To			
Csg.		Depth		To			
Tbg. Size		Depth		Street			
Drill Pipe		Depth		City		State	
Tool		Depth		The above was done to satisfaction and supervision of owner agent or contractor.			
Cement Left in Csg.		Shoe Joint					
Press Max.		Minimum					
Meas Line		Displace		CEMENT			
Perf.							
EQUIPMENT				Amount Ordered			
Pumptrk	No.	Cementer-Helper		Consisting of			
Bulktrk	No.	Driver		Common		2415.00	
Bulktrk	No.	Driver		Poz. Mix			
<i>How</i> JOB SERVICES & REMARKS				Gel.			
Pumptrk Charge		1700.00		Chloride			
Mileage		245.00		Hulls			
Footage				Salt		350.00	
		Total 1945.00		Flowseal			
Remarks:				500		625.00	
				Sales Tax			
				Handling		367.50	
				Mileage		756.00	
				Sub Total		1945.00	
				Total			
				Floating Equipment & Plugs		163.00	
				Squeeze Manifold		175.00	
				Rotating Head		250.00	
						350.00	
						250.00	
						1800.00	
						Tax 364.12	
						Discount (935.00)	
X Signature				Total Charge			



Quality Oilwell Cementing Inc.

740 W WICHITA
P.O. Box 32
Russell, KS 67665

Invoice

Date	Invoice #
10/16/2008	1150

Bill To
K-B KANSAS OPERATING INC 820 S MACARTHUR BLVD SUITE 105-364 COPPELL TX 75019

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KANSAS CORPORATION COMMISSION

JAN 23 2009

CONSERVATION DIVISION
WICHITA, KS

P.O. No.	Terms	Project
	Net 30	

Quantity	Description	Rate	Amount
150	QUALITY PRO-C	16.10	2,415.00T
25	Salt	14.00	350.00T
500	Mudclear	1.25	625.00T
175	handling	2.10	367.50
8.400	.09 * 175 SACKS * 48 MILES	0.09	756.00
1	5 1/2 rubber plug	63.00	63.00T
1	guide shoe 5 1/2	175.00	175.00T
1	AFU insert 5 1/2	250.00	250.00T
2	5 1/2 BASKET	175.00	350.00T
5	centralizers 5 1/2	50.00	250.00T
1	Port Collar 5 1/2	1,800.00	1,800.00T
1	PRODUCTION STRING	1,700.00	1,700.00
35	pump truck mileage charge	7.00	245.00
935	discount 10% if paid within 30 days DISCOUNT HAS ALREADY BEEN DEDUCTED	-1.00	-935.00
	LEASE: NILHAS TRUST WELL #1-29 Wrego county Sales Tax	5.80%	364.12
Thank you for your business. Dave		Total	\$8,775.62