

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form ACO-1  
September 1999  
Form Must Be Typed

ORIGINAL

WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 30717  
Name: DOWNING-NELSON OIL COMPANY, INC  
Address: PO BOX 372  
City/State/Zip: HAYS, KS 67601  
Purchaser: \_\_\_\_\_  
Operator Contact Person: RON NELSON  
Phone: (785) 621-2610  
Contractor: Name: ANDERSON DRILLING  
License: 33237  
Wellsite Geologist: RON NELSON  
Designate Type of Completion:  
 New Well  Re-Entry  Workover  
 Oil  SWD  SLOW  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. \_\_\_\_\_  
10/22/06 10/27/06 10/28/06  
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 065-23231-00-00  
County: GRAHAM  
APNW SE NW Sec. 32 Twp. 9 S. R. 23  East  West  
2100 feet from S / N (circle one) Line of Section  
2380 feet from E / W (circle one) Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE SE NW SW  
Lease Name: JIMISON-DAVIGNON UNIT Well #: 1-32  
Field Name: MOREL  
Producing Formation: LKC  
Elevation: Ground: 2479' Kelly Bushing: 2484'  
Total Depth: 4054' Plug Back Total Depth: \_\_\_\_\_  
Amount of Surface Pipe Set and Cemented at 222' Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set 2088' Feet  
If Alternate II completion, cement circulated from 2088'  
feet depth to SURFACE w/ 225 sx cmt.

Drilling Fluid Management Plan *Alt II with 1-24-08*  
(Data must be collected from the Reserve Pit)  
Chloride content 14,000 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: VICE PRESIDENT Date: 01/17/07  
Subscribed and sworn to before me this 17 day of January,  
20 07.  
Notary Public: [Signature]  
Date Commission Expires: 7-28-09

**KCC Office Use ONLY**  
\_\_\_\_ Letter of Confidentiality Received  
If Denied, Yes  Date: \_\_\_\_\_  
\_\_\_\_ Wireline Log Received  
\_\_\_\_ Geologist Report Received  
\_\_\_\_ UIC Distribution  
**RECEIVED**  
KANSAS CORPORATION COMMISSION  
**FEB 21 2007**

**MICHELE L. MEIER**  
NOTARY PUBLIC  
STATE OF KANSAS  
My Appt. Exp. 7/28/09

CONSERVATION DIVISION  
WICHITA, KS

Operator Name: DOWNING-NELSON OIL COMPANY, INC Lease Name: JIMISON-DAVIGNON UNIT Well #: 1-32  
 Sec. 32 Twp. 9 S. R. 23  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 <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br><i>(Attach Additional Sheets)</i><br><br>Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br><br>Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br>Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br><i>(Submit Copy)</i><br><br>List All E. Logs Run:<br><br><b>Dual Induction, Compensated Density/Neutron,<br/>                 Micro, Sonic &amp; Dual Receiver</b> | <input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample<br><br><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>TOP ANHYDRITE</td> <td>2100</td> <td>+384</td> </tr> <tr> <td>BASE ANHYDRITE</td> <td>2138</td> <td>+346</td> </tr> <tr> <td>TOPEKA</td> <td>3568</td> <td>-1084</td> </tr> <tr> <td>HEEBNER</td> <td>3788</td> <td>-1304</td> </tr> <tr> <td>TORONTO</td> <td>3812</td> <td>-1328</td> </tr> <tr> <td>LKC</td> <td>3826</td> <td>-1342</td> </tr> <tr> <td>BKC</td> <td>4048</td> <td>-1564</td> </tr> </table> | Name  | Top | Datum | TOP ANHYDRITE | 2100 | +384 | BASE ANHYDRITE | 2138 | +346 | TOPEKA | 3568 | -1084 | HEEBNER | 3788 | -1304 | TORONTO | 3812 | -1328 | LKC | 3826 | -1342 | BKC | 4048 | -1564 |
| Name  | Top  | Datum |     |       |               |      |      |                |      |      |        |      |       |         |      |       |         |      |       |     |      |       |     |      |       |
| TOP ANHYDRITE   | 2100   | +384  |     |       |               |      |      |                |      |      |        |      |       |         |      |       |         |      |       |     |      |       |     |      |       |
| BASE ANHYDRITE  | 2138   | +346  |     |       |               |      |      |                |      |      |        |      |       |         |      |       |         |      |       |     |      |       |     |      |       |
| TOPEKA  | 3568   | -1084 |     |       |               |      |      |                |      |      |        |      |       |         |      |       |         |      |       |     |      |       |     |      |       |
| HEEBNER   | 3788   | -1304 |     |       |               |      |      |                |      |      |        |      |       |         |      |       |         |      |       |     |      |       |     |      |       |
| TORONTO   | 3812   | -1328 |     |       |               |      |      |                |      |      |        |      |       |         |      |       |         |      |       |     |      |       |     |      |       |
| LKC   | 3826   | -1342 |     |       |               |      |      |                |      |      |        |      |       |         |      |       |         |      |       |     |      |       |     |      |       |
| BKC   | 4048   | -1564 |     |       |               |      |      |                |      |      |        |      |       |         |      |       |         |      |       |     |      |       |     |      |       |

| 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"                    | 20#               | 222'          | COMMON         | 150          | 3% CC & 2% Gel             |
| Production St.  | 7 7/8             | 5 1/2                     | 14                | 4086.71'      | EA/2           | 150          | MIDCON II                  |
|   |                   |                           | DV Tool @         | 2088'         |                |              |                            |

| 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<br>Specify Footage of Each Interval Perforated | Acid, Fracture, Shot, Cement Squeeze Record<br><i>(Amount and Kind of Material Used)</i> | Depth       |
|----------------|---|--|-------------|
| 4              | 3978' to 3983'  | 250 GAL. OF 15% MUD ACID   | 3978'-3983' |
|                |   |  |             |
|                |   |  |             |

| TUBING RECORD | Size  | Set At   | Packer At | Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
|---------------|-------|----------|-----------|---|
|               | 2 3/8 | 4026.83' |           |   |

| Date of First, Resumerd Production, SWD or Enhr. | Producing Method  |
|--|---|
| 01/01/07   | <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. | Gas Mcf | Water Bbls. | Gas-Oil Ratio | Cravity |
|-----------------------------------|-----------|---------|-------------|---------------|---------|
|                                   | 62        | 0       | 0           |               |         |

| Disposition of Gas   | METHOD OF COMPLETION   | Production Interval |
|--|--|---------------------|
| <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease<br><i>(If vented, Submit ACO-18.)</i> | <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled<br><input type="checkbox"/> Other (Specify) _____ |                     |

Allied Cementing Co., Inc  
P.O. Box 31  
Russell, KS 67665



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\*  
\* I N V O I C E \*  
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\*\*\*\*\*

Invoice Number: 105120

Invoice Date: 10/31/06

*Handwritten:* #4931

Sold Downing Nelson Oil Co. Inc  
To: P. O., Box 372  
Hays, KS  
67601

**PAID NOV 17 2006**

Cust I.D.....: Down  
P.O. Number...: Jimison/Davign <sup>ng non</sup> #1-32  
P.O. Date.....: 10/31/06

Due Date.: 11/30/06  
Terms.....: Net 30

| Item I.D./Desc.              | Qty. Used | Unit | Price    | Net     | TX |
|------------------------------|-----------|------|----------|---------|----|
| Common                       | 150.00    | SKS  | 10.6500  | 1597.50 | T  |
| Gel                          | 3.00      | SKS  | 16.6500  | 49.95   | T  |
| Chloride                     | 5.00      | SKS  | 46.6000  | 233.00  | T  |
| Handling                     | 158.00    | SKS  | 1.9000   | 300.20  | E  |
| Mileage                      | 70.00     | MILE | 14.2200  | 995.40  | E  |
| 158 sks @, .09 per sk per mi |           |      |          |         |    |
| Surface                      | 1.00      | JOB  | 815.0000 | 815.00  | E  |
| Mileage pmp trk              | 70.00     | MILE | 6.0000   | 420.00  | E  |
| Wooden Plug                  | 1.00      | EACH | 60.0000  | 60.00   | T  |

All Prices Are Net, Payable 30 Days Following  
Date of Invoice. 1 1/2% Charged Thereafter.  
If Account CURRENT take Discount of 447.10  
ONLY if paid within 30 days from Invoice Date

Subtotal: 4471.05  
Tax.....: 107.69  
Payments: 0.00  
Total....: 4578.74

*Handwritten:*  
447.10  


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4131.64

**RECEIVED**  
**KANSAS CORPORATION COMMISSION**  
**JAN 23 2008**  
**CONSERVATION DIVISION**  
**WICHITA, KS**



P. O. Box 466  
Ness City, KS 67560  
Off: 785-798-2300



# Invoice

|            |           |
|------------|-----------|
| DATE       | INVOICE # |
| 10/28/2006 | 11635     |

|   |
|---|
| BILL TO   |
| Downing Nelson Oil Co. Inc.<br>PO Box 372<br>Hays, KS 67601 |

- Acidizing
- Cement
- Tool Rental

**PAID** DEC 01 2006

#502

| TERMS      | Well No.                                 | Lease           | County | Contractor   | Well Type | Well Category | Job Purpose         | Operator  |
|------------|--|-----------------|--------|--------------|-----------|---------------|---------------------|-----------|
| Net 30     | #1-32                                    | Jimison Davi... | Graham | A&A Drilling | Oil       | Development   | Cement 5-1/2" Pr... | Roger     |
| PRICE REF. | DESCRIPTION                              |                 |        |              | QTY       | UM            | UNIT PRICE          | AMOUNT    |
| 575D       | Mileage - 1 Way                          |                 |        |              | 50        | Miles         | 4.00                | 200.00    |
| 579D       | Pump Charge - Two-Stage                  |                 |        |              | 1         | Job           | 1,750.00            | 1,750.00  |
| 407-5      | 5 1/2" Insert Float Shoe With Auto Fill  |                 |        |              | 1         | Each          | 310.00              | 310.00T   |
| 417-5      | 5 1/2" D.V. Latch Down Plug & Baffle     |                 |        |              | 1         | Each          | 200.00              | 200.00T   |
| 408-5      | 5 1/2" D.V. Tool & Plug Set              |                 |        |              | 1         | Each          | 3,000.00            | 3,000.00T |
| 402-5      | 5 1/2" Centralizer                       |                 |        |              | 6         | Each          | 80.00               | 480.00T   |
| 403-5      | 5 1/2" Cement Basket                     |                 |        |              | 1         | Each          | 280.00              | 280.00T   |
| 281        | Mud Flush                                |                 |        |              | 500       | Gallon(s)     | 0.75                | 375.00T   |
| 221        | Liquid KCL (Clayfix)                     |                 |        |              | 4         | Gallon(s)     | 26.00               | 104.00T   |
| 325        | Standard Cement                          |                 |        |              | 150       | Sacks         | 11.00               | 1,650.00T |
| 330        | Swift Multi-Density Standard (MIDCON II) |                 |        |              | 225       | Sacks         | 13.50               | 3,037.50T |
| 284        | Calseal                                  |                 |        |              | 7         | Sack(s)       | 30.00               | 210.00T   |
| 283        | Salt                                     |                 |        |              | 800       | Lb(s)         | 0.20                | 160.00T   |
| 285        | CFR-1                                    |                 |        |              | 70        | Lb(s)         | 4.00                | 280.00T   |
| 276        | Flocele                                  |                 |        |              | 95        | Lb(s)         | 1.25                | 118.75T   |
| 581D       | Service Charge Cement                    |                 |        |              | 375       | Sacks         | 1.10                | 412.50T   |
| 583D       | Drayage                                  |                 |        |              | 959       | Ton Miles     | 1.00                | 959.00T   |
|            | Subtotal                                 |                 |        |              |           |               |                     | 13,526.75 |
|            | Sales Tax Graham County                  |                 |        |              |           |               | 5.55%               | 566.39    |

RECEIVED  
KANSAS CORPORATION COMMISSION  
JAN 23 2008  
CONSERVATION DIVISION  
WICHITA, KS

**We Appreciate Your Business!** **Total** \$14,093.14