

STATE CORPORATION-COMMISSION OF KANSAS
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
ACO-1 WELL HISTORY
DESCRIPTION OF WELL AND LEASE

Operator: License # 6861

Name: Rons Oil Operation, Inc

Address Box 194

City/State/Zip Penokee, KS 67659

Purchaser: Farmland Industries

Operator Contact Person: Ron Nickelson

Phone (785) 421-2315

Contractor: Name: Mallard JV Inc.

License: 4958

Wellsite Geologist: Ron Nelson

Designate Type of Completion

New Well Re-Entry Workover

Oil S/W S/W Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)

If Workover/Reentry: Old Well Info as follows:

Operator: _____

Well Name: _____

Comp. Date _____ Old Total Depth _____

Deepening Re-perf. Conv. to Inj/S/W
 Plug Back P/BTD
 Commingled Docket No. _____
 Dual Completion Docket No. _____
 Other (S/W or Inj?) Docket No. _____

1-2-98 1-8-98 1-30-98
Spud Date Date Reached TD Completion Date
KCC by V.R. KCC by V.R. KCC RT

API No. 15- 065-22791-0000

County Graham

SE NE -NE Sec. 23 Twp. 9 Rge. 24 W E

1105 Feet from S (circle one) Line of Section

400 Feet from E/W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
NE SE, NW or SW (circle one) RT KCC

Lease Name Nickelson WVA Well # 23-1

Field Name Glendale

Producing Formation Kansas City

Elevation: Ground 2463 ^{3 RT} KCC KB 2468

Total Depth 4050 PBDT 4049

Amount of Surface Pipe Set and Cemented at 211.85 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set 2117 Feet

If Alternate II completion, cement circulated from 2117

feet depth to Surface W 305 sx cnt.

Drilling Fluid Management Plan Alt 2 6-4-98 V.C.
(Data must be collected from the Reserve Pit)

Chloride content 5000 ppm Fluid volume 295 bbls

Dewatering method used Evaporation

Location of fluid disposal if hauled offsite:

Operator Name Rons Oil Operation, Inc.

Lease Name Nickelson License No. 6861

NE23 Quarter Sec. 9 Twp. 24 S Rng. W E/W

County Graham Docket No. 15-065-227910000

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 on 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 Ronald Nickelson

Title President Date 3-20-98

Subscribed and sworn to before me this 20 day of March 1998.

Notary Public Avis Chipman

Date Commission Expires _____

NOTARY PUBLIC - State of Kansas
AVIS CHIPMAN
My Appt Exp. 2-4-99

K.C.C. OFFICE USE ONLY
F Letter of Confidentiality Attached
C Wireline Log Received
C Geologist Report Received
Distribution
 KCC S/W/Rep NGPA
 KGS Plug Other
(Specify)
RECEIVED

Form ACO-1 (7-91) MAR 26 1998
3-26-98

ORIGINAL

Operator Name Rons Oil Operation, Inc. Lease Name Nickelson 23-1 Well # 1

Sec. 23 Twp. 09 Rge. 24
 East
 West

County Graham

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all drill stem 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 during test. Attach extra sheet if more space is needed. Attach copy of log.

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:

Radiation Guard
 Cement Bond Log

Log Formation (Top), Depth and Datums Sample
 Name Nickelson 23-1 Top Datum
LKC 3798

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
Production	7 7/8	4 1/2	10 1/2	4042	ASC	175	10% Salt 2% Gel
Surface Pipe	12 5/8	8 5/8		212.85		150	60-40 4% cc 2% Gel

ADDITIONAL CEMENTING/SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input checked="" type="checkbox"/> Perforate <input checked="" type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone	2117 surface	common 40-60	305	3% cc 40-60 8% Gel

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 Shots	3-990-93-3952-54-3930-33 3836-42 3826-28	4000 Gal NE	

TUBING RECORD		Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
		2 3/8	4020	0		
Date of First, Resumed Production, SWD or Inj.			Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)			
2 - 20 - 98						
Estimated Production Per 24 Hours	Oil Bbls.	Gas Trace	Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
	80					36.8

Disposition of Gas: Vented Sold Used on Lease (if vented, submit ACO-18.)

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled 3826-3993'

Production Interval Other (Specify) _____

TRILOBITE TESTING L.L.C.

P.O. Box 362 • Hays, Kansas 67601

15-065-22791
-0000

ORIGINAL

Test Ticket

No 10725

Well Name & No. Nickelson #23-1 Test No. 1 Date 1-7-98
 Company Ron's Oil Operations, Inc Zone Tested "C-D" LKC
 Address RFD 1, Box 194, Penokee, Ks. 67659 Elevation 2468 KB 2463 GL
 Co. Rep / Geo. Ron Nelson Cont. Mallard #2 Est. Ft. of Pay _____ Por. _____ %
 Location: Sec. 23 Twp. 9 Rge. 24 Co. Graham State Ks
 No. of Copies 1 Distribution Sheet (Y, N) N Turnkey (Y, N) N Evaluation (Y, N) N

Interval Tested 3818 - 3850 Initial Str Wt./Lbs. 50,000 Unseated Str Wt./Lbs. 51,000
 Anchor Length 32 Wt. Set Lbs. 30,000 Wt. Pulled Loose/Lbs. 80,000
 Top Packer Depth 3813 Tool Weight 1000
 Bottom Packer Depth 3818 Hole Size — 7 7/8" _____ Rubber Size — 6 3/4" _____
 Total Depth 3850 Wt. Pipe Run _____ Drill Collar Run 248
 Mud Wt. 9.1 LCM _____ Vis. 47 WL 9.8 Drill Pipe Size 4.5XH Ft. Run 3570
 Blow Description J.F. Strong - B.O.B. in 12 min.
E.F. Strong - B.O.B. in 5 min.

Recovery — Total Feet	GIP	Ft. in DC	Ft. in DP
<u>340</u>	<u>464</u>	<u>248</u>	<u>92</u>
Rec. <u>30</u> Feet Of <u>H0 C6sy M</u>	<u>20</u> %gas <u>30</u> %oil	<u>50</u> %water <u>50</u> %mud	
Rec. <u>124</u> Feet Of <u>Hm C6sy O</u>	<u>30</u> %gas <u>50</u> %oil	<u>20</u> %water <u>20</u> %mud	
Rec. <u>124</u> Feet Of <u>C6sy O</u>	<u>10</u> %gas <u>90</u> %oil	<u>0</u> %water <u>0</u> %mud	
Rec. <u>62</u> Feet Of <u>w+m CO</u>	<u>60</u> %gas <u>20</u> %oil	<u>20</u> %water <u>20</u> %mud	
Rec. _____ Feet Of _____	_____ %gas _____ %oil	_____ %water _____ %mud	

BHT 110 °F Gravity _____ °API D@ _____ °F Corrected Gravity 36 °API
 RW _____ @ _____ °F Chlorides _____ ppm Recovery Chlorides 2000 ppm System

(A) Initial Hydrostatic Mud 1946 PSI Recorder No. 13254 T-Started 01:30
 (B) First Initial Flow Pressure 39 PSI (depth) 3821 T-Open 03:05
 (C) First Final Flow Pressure 98 PSI Recorder No. 13248 T-Pulled 05:35
 (D) Initial Shut-in Pressure 344 PSI (depth) 3847 T-Out 07:30
 (E) Second Initial Flow Pressure 127 PSI Recorder No. _____
 (F) Second Final Flow Pressure 137 PSI (depth) _____
 (G) Final Shut-in Pressure 334 PSI Initial Opening 30 Test _____
 (H) Final Hydrostatic Mud 1816 PSI Initial Shut-in 45 Jars _____
 Final Flow 30 Safety Joint _____
 Final Shut-in 45 Straddle _____

TRILOBITE TESTING L.L.C. SHALL NOT BE LIABLE FOR DAMAGE OF ANY KIND OF THE PROPERTY OR PERSONNEL OF THE ONE FOR WHOM A TEST IS MADE, OR FOR ANY LOSS SUFFERED OR SUSTAINED, DIRECTLY OR INDIRECTLY, THROUGH THE USE OF ITS EQUIPMENT, OR ITS STATEMENTS OR OPINION CONCERNING THE RESULTS OF ANY TEST. TOOLS LOST OR DAMAGED IN THE HOLE SHALL BE PAID FOR AT COST BY THE PARTY FOR WHOM THE TEST IS MADE.

Approved By Ron Nelson
 Our Representative Dan Bangle
 Circ. Sub _____
 Sampler _____
 Extra Packer _____
 Elect. Rec. _____
 Other _____
 TOTAL PRICE \$ _____

TRILOBITE TESTING L.L.C.

P.O. Box 362 • Hays, Kansas 67601

ORIGINAL

15-065-22791

No 10423

Test Ticket

Well Name & No. Nickelson #23-1 Test No. 2 Date 1-7-98
 Company Ron's Oil Operations, Inc Zone Tested 'E' KKC
 Address _____ Elevation 2468 KB 2463 GL _____
 Co. Rep / Geo. Ron Nelson Cont. Mallard #2 Est. Ft. of Pay _____ Por. _____ %
 Location: Sec. 23 Twp. 9 Rge. 24 Co. Graham State Ks
 No. of Copies 1 Distribution Sheet (Y, N) N Turnkey (Y, N) N Evaluation (Y, N) _____

Interval Tested 3856-3880 Initial Str Wt./Lbs. 50,000 Unseated Str Wt./Lbs. 50,000
 Anchor Length 24 Wt. Set Lbs. 30,000 Wt. Pulled Loose/Lbs. 65,000
 Top Packer Depth 3851 Tool Weight 1000
 Bottom Packer Depth 3856 Hole Size — 7 7/8" _____ Rubber Size — 6 3/4" _____
 Total Depth 3880 Wt. Pipe Run _____ Drill Collar Run 248
 Mud Wt. 9.1 LCM _____ Vis. 50 WL 7.2 Drill Pipe Size 4.5 X H Ft. Run 3601
 Blow Description I.F. Weak Died in 25 min.

F.F. No blow - flushed tool - No help

Recovery — Total Feet	GIP	Ft. in DC	Ft. in DP	%gas	%oil	%water	%mud
<u>60</u>		<u>60</u>				<u>30</u>	<u>70</u>
Rec. _____	Feet Of <u>WTG Mud</u>						
Rec. _____	Feet Of _____						
Rec. _____	Feet Of _____						
Rec. _____	Feet Of _____						
Rec. _____	Feet Of _____						

BHT 110 °F Gravity _____ °API D@ _____ °F Corrected Gravity _____ °API
 RW _____ @ _____ °F Chlorides _____ ppm Recovery Chlorides 2000 ppm System

(A) Initial Hydrostatic Mud 1986 PSI Recorder No. 13754 T-Started 14:20
 (B) First Initial Flow Pressure 29 PSI (depth) 3861 T-Open 15:50
 (C) First Final Flow Pressure 49 PSI Recorder No. 13248 T-Pulled 17:05
 (D) Initial Shut-in Pressure 324 PSI (depth) 3877 T-Out 18:20
 (E) Second Initial Flow Pressure 49 PSI Recorder No. _____
 (F) Second Final Flow Pressure 49 PSI (depth) _____
 (G) Final Shut-in Pressure _____ PSI Initial Opening 30 Test _____
 (H) Final Hydrostatic Mud 1866 PSI Initial Shut-in 30 Jars _____
 Final Flow 15 Safety Joint _____
 Final Shut-in _____ Straddle _____

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Approved By _____
 Our Representative Dan Bangle

Circ. Sub _____
 Sampler _____
 Extra Packer _____
 Elect. Rec. _____
 Other _____
 TOTAL PRICE \$ _____

TRILOBITE TESTING L.L.C.

P.O. Box 362 • Hays, Kansas 67601

15-005-22791

ORIGINAL

Test Ticket

No 10427

Well Name & No. Nickelson #23-1 Test No. 3 Date 1-8-98
 Company Ron's Oil Operations, Inc Zone Tested "H-I" LKC
 Address _____ Elevation 2468 KB 2463 GL
 Co. Rep / Geo. Ron Nelson Cont. Mallard #2 Est. Ft. of Pay _____ Por. _____ %
 Location: Sec. 23 Twp. 9 Rge. 24 Co. Graham State Ks
 No. of Copies 1 Distribution Sheet (Y, N) N Turnkey (Y, N) N Evaluation (Y, N) _____

Interval Tested 3910 - 3963 Initial Str Wt./Lbs. 50,000 Unseated Str Wt./Lbs. 50,000
 Anchor Length 53 Wt. Set Lbs. 30,000 Wt. Pulled Loose/Lbs. 60,000
 Top Packer Depth 3905 Tool Weight 1000
 Bottom Packer Depth 3910 Hole Size — 7 7/8" _____ Rubber Size — 6 3/4" _____
 Total Depth 3963 Wt. Pipe Run _____ Drill Collar Run 248
 Mud Wt. 9.3 LCM _____ Vis. 48 WL 8.8 Drill Pipe Size 4.5XH Ft. Run 3665
 Blow Description I.F. Weak Died in 25 min.

E.F. No blow - flushed tool - No help.
(Plugged Test STD)

Recovery — Total Feet	GIP	Ft. in DC	Ft. in DP
<u>120</u>		<u>120</u>	
Rec. <u>60</u> Feet Of <u>HOCM</u>		%gas <u>20</u> %oil	%water <u>80</u> %mud
Rec. <u>60</u> Feet Of <u>HOCM</u>		%gas <u>40</u> %oil	%water <u>60</u> %mud
Rec. _____ Feet Of _____		%gas _____%oil	%water _____%mud
Rec. _____ Feet Of _____		%gas _____%oil	%water _____%mud
Rec. _____ Feet Of _____		%gas _____%oil	%water _____%mud

BHT 108 °F Gravity _____ °API D@ _____ °F Corrected Gravity _____ °API
 RW _____ @ _____ °F Chlorides _____ ppm Recovery Chlorides 2000 ppm System
 (A) Initial Hydrostatic Mud 2016 PSI Recorder No. 13754 T-Started 06:30
 (B) First Initial Flow Pressure 39 PSI (depth) 3916 T-Open 07:45
 (C) First Final Flow Pressure 78 PSI Recorder No. 13248 T-Pulled 08:55
 (D) Initial Shut-in Pressure 246 PSI (depth) 3960 T-Out 10:30
 (E) Second Initial Flow Pressure 88 PSI Recorder No. _____
 (F) Second Final Flow Pressure 88 PSI (depth) _____
 (G) Final Shut-in Pressure — PSI Initial Opening 30 Test _____
 (H) Final Hydrostatic Mud 1836 PSI Initial Shut-in 30 Jars _____

Final Flow 10 Safety Joint _____
 Final Shut-in — Straddle _____
 Circ. Sub 500201
 Sampler _____
 Extra Packer _____

TRILOBITE TESTING L.L.C. SHALL NOT BE LIABLE FOR DAMAGE OF ANY KIND OF THE PROPERTY OR PERSONNEL OF THE ONE FOR WHOM A TEST IS MADE, OR FOR ANY LOSS SUFFERED OR SUSTAINED, DIRECTLY OR INDIRECTLY, THROUGH THE USE OF ITS EQUIPMENT, OR ITS STATEMENTS OR OPINION CONCERNING THE RESULTS OF ANY TEST. TOOLS LOST OR DAMAGED IN THE HOLE SHALL BE PAID FOR AT COST BY THE PARTY FOR WHOM THE TEST IS MADE.

Approved By _____
 Our Representative Dan Sample

Elect. Rec. _____
 Other _____
 TOTAL PRICE \$ _____

ALLIANT CO., INC.

P.O. BOX 81

WASSILA, KS 67665

PH (785) 489-3267

FAX (785) 489-5868

INVOICE

Invoice Number: 076929

Invoice Date: 01/26/98

ORIGINAL

Sold To: Ron's Oil Operations, Inc
P. O. Box 112
Penokee, KS
67659

Cust. I.D.: Ron's
P.O. Number...: Nickelson 10-1
P.O. Date.....: 01/26/98

Due Date.: 02/25/98
Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TY
Gel	3.00	SKS	9.5000	28.50	E
ASC	175.00	SKS	8.2000	1435.00	E
Salt	17.00	SKS	7.0000	119.00	E
WFR-2	500.00	GAL	1.0000	500.00	E
Handling	175.00	SKS	1.0500	183.75	E
Mileage (58)	58.00	MILE	7.0000	406.00	E
175 sks @\$.04 per sk per mi					
Production String	1.00	JOB	1080.0000	1080.00	E
Mileage pmp trk	58.00	MILE	2.8500	165.30	E
Rubber plug	1.00	EACH	38.0000	38.00	E
Port Collar	1.00	EACH	2340.0000	2340.00	E
AFU Insert	1.00	EACH	235.0000	235.00	E
Basket	1.00	EACH	129.0000	129.00	E
Guide Shoe	1.00	EACH	140.0000	140.00	E
Centralizers	5.00	EACH	53.0000	265.00	E

All Prices Are Net, Payable 30 Days Following
Date of Invoice. 1 1/2% Charged Thereafter.
If Account CURRENT take Discount of \$ 1059.68
ONLY if paid within 30 days from Invoice Date

Subtotal: 7064.55
Tax: 0.00
Payments: 0.00
Total: 7064.55

Paid 3-5-98
ck# 3922
Total 10,181.39

PRINCE CEMENTING CO., INC.

P.O. BOX 31

RUSSELL, MO 67665

PH (785) 463-3007

FAX (785) 468-8008

INVOICE

Invoice Number: 076940

Invoice Date: 01/30/98

Sold Ron's Oil Operations, Inc
To: P. O. Box 112
Penokee, KS
67659

ORIGINAL

Customer: Ron's
P.O. Number: Nickelson#10-1
P.O. Date: 01/30/98

Due Date: 03/01/98
Terms: Net 30

Item I.D./Desc	Qty Used	Unit	Price	Net	TX
Common	245.00	SKS	6.3500	1555.75	E
Pozmix	80.00	SKS	3.2500	260.00	E
Gel	14.00	SKS	9.5000	133.00	E
Chloride	5.00	SKS	28.0000	140.00	E
FloSeal	50.00	LBS	1.1500	57.50	E
Handling	600.00	SKS	1.0500	630.00	E
Mileage (58) 600 sks @ \$.04 per sk per mi	58.00	MILE	24.0000	1392.00	E
Pump Truck	1.00	JOB	580.0000	580.00	E
Milcage pmp trk	58.00	MILE	2.8500	165.30	E

All Prices Are Net, Payable 30 Days Following Subtotal: 4913.55
 Date of Invoice: 1/30/98 1/2% Charged Thereafter Tax: 0.00
 If Account CURRENT take Discount of \$ 237.03 Payments: 0.00
 ONLY if paid within 30 days from Invoice Date Total: 4913.55

*Paid 3-5-98
Ch# 3922*

RECEIVED
STATE COMMISSION

MAR 26 1998

Wichita, Kansas

CEMENTING CO., INC.

P.O. BOX 91
FRIBELL, MO 67085
PH (785) 483-3887
FAX (785) 483-6526

INVOICE

Handwritten signature
3907

Invoice Number: 076843

Invoice Date: 01/09/98

Sold Ron's Oil Operations, Inc
To: P. O. Box 112
Ponokee, KS
67659

ORIGINAL

Cust I.D.: Ron's
P.O. Number: Nickelson 023-1
P.O. Date: 01/09/98

Due Date: 02/08/98
Terms: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TR
Common	90.00	SKS	6.3500	571.50	E
Pozmix	60.00	SKS	3.2500	195.00	E
Gel	3.00	SKS	9.5000	28.50	E
Chloride	7.00	SKS	28.0000	196.00	E
Handling	150.00	SKS	1.0500	157.50	E
Mileage (54)	54.00	MILE	6.0000	324.00	E
150 sks @\$.04 per sk per mi					
Surface	1.00	JOB	470.0000	470.00	E
Mileage pmp trk	54.00	MILE	2.8500	153.90	E
Wooden Plug	1.00	EACH	45.0000	45.00	E

All Prices Are Net, Payable 30 Days Following Subtotal: 2341.40
 Date of Invoice. 1 1/2% Charged Thereafter. Tax: 0.00
 If Account CURRENT take Discount of \$ 211.21 Payments: 0.00
 ONLY if paid within 30 days from Invoice Date Total: 2130.20

Total 1820.19

RECEIVED

MAR 26 1998

WARR, Kansas