

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

Operator: License # 31283

Name: Rheem Resources

Address Suite 505

100 South Main

City/State/Zip Wichita, KS 67202

Purchaser: \_\_\_\_\_

Operator Contact Person: Clay Hedrick Jr.

Phone ( 316 ) 262-5099

Contractor: Name: L.D. Drilling, Inc.

License: 6039

Wellsite Geologist: Dan Reynolds

Designate Type of Completion

New Well  Re-Entry  Workover

Oil  SWD  SLOW  Temp. Abd.

Gas  ENHR  SIGM

Dry  Other (Corrosion Cathodic, etc)

KANSAS CORPORATION COMMISSION

If Workover:

Operator: 12-18-1995

DEC 18 1995

Well Name: \_\_\_\_\_

Comp. Date CONSERVATION DIVISION

WICHITA, KS

Deepening  Re-perf.  Conv. to Inj/SWD

Plug Back  PBTB

Commingled  Docket No. \_\_\_\_\_

Dual Completion  Docket No. \_\_\_\_\_

Other (SWD or Inj?)  Docket No. \_\_\_\_\_

1011/95 10/21/95

Spud Date Date Reached TD Completion Date

API NO. 15- 109-205940000

County Logan

SE - SE - NE - 9 Sec. 11S Twp. 32 Rge. XX E

2970 Feet from SW (circle one) Line of Section

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

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

Lease Name Nickelson Well # 1

Field Name Wildcat

Producing Formation N/A

Elevation: Ground 3066 KB 3071

Total Depth 4715 PBTB \_\_\_\_\_

Amount of Surface Pipe Set and Cemented at 281 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 N/A 3-27-96  
(Data must be collected from the Reserve Pit) Re

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 Rng. E/W

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 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 Clay E. Hedrick Jr.

Title Operations Manager Date 12/18/95

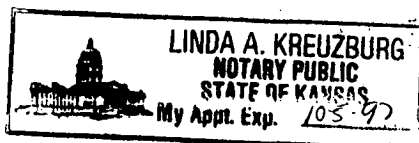
Subscribed and sworn to before me this 18th day of December, 1995.

Notary Public Linda Kreuzburg Burda Kreuzburg

Date Commission Expires 10/5/97

K.C.C. OFFICE USE ONLY		
F	<input type="checkbox"/>	Letter of Confidentiality Attached
C	<input checked="" type="checkbox"/>	Wireline Log Received
C	<input checked="" type="checkbox"/>	Geologist Report Received
Distribution		
<input checked="" type="checkbox"/>	KCC	<input type="checkbox"/> SWD/Rep <input type="checkbox"/> NGPA
<input type="checkbox"/>	KGS	<input type="checkbox"/> Plug <input type="checkbox"/> Other (Specify)

Form ACD-1 (7-91)



**SIDE TWO**

Operator Name Rheem Resources Lease Name Nickelson Well # 1

Sec. 9 Twp. 11S Rge. 32  East  West  
 County Logan

**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 (Attach Additional Sheets.) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run (Submit Copy.) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No List All E.Logs Run: Halliburton Open Hole Guard, Sidewall Neutron Log.	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th style="width:15%;">Name</th> <th style="width:15%;">Formation (Top),</th> <th style="width:15%;">Depth and</th> <th style="width:15%;">Datum</th> <th style="width:15%;">Sample</th> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Anhydrite</td> <td>2586</td> <td>+481</td> <td></td> <td></td> </tr> <tr> <td>Heebner</td> <td>4023</td> <td>-952</td> <td></td> <td></td> </tr> <tr> <td>Lansing</td> <td>4060</td> <td>-989</td> <td></td> <td></td> </tr> <tr> <td>Stark</td> <td>4286</td> <td>-1215</td> <td></td> <td></td> </tr> <tr> <td>Pawnee</td> <td>4476</td> <td>-1407</td> <td></td> <td></td> </tr> <tr> <td>Fort Scont</td> <td>4537</td> <td>-1466</td> <td></td> <td></td> </tr> <tr> <td>Mississippi</td> <td>4643</td> <td>-1573</td> <td></td> <td></td> </tr> </table>	Name	Formation (Top),	Depth and	Datum	Sample					<input type="checkbox"/>	Anhydrite	2586	+481			Heebner	4023	-952			Lansing	4060	-989			Stark	4286	-1215			Pawnee	4476	-1407			Fort Scont	4537	-1466			Mississippi	4643	-1573		
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CASING RECORD <input type="checkbox"/> New <input checked="" 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 1/2"	8 5/8"	28#	281	60/40 Poz	170	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, Resumed Production, SWD or Inj.		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

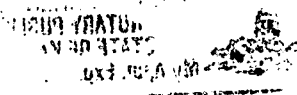
Disposition of Gas:  Vented  Sold  Used on Lease (If vented, submit ACO-18.)

**METHOD OF COMPLETION**

Open Hole  Perf.  Dually Comp.  Commingled

Other (Specify) \_\_\_\_\_

Production Interval \_\_\_\_\_



#1 HARRY NICKELSON

ORIGINAL

15-109-20594-00-00

SAMPLE TOPS:

ANHYDRITE: 2590 -2617  
HEEBNER: 4024 -953  
TORONTO: 4041 -970  
LANSING: 4045 -989  
STARK: 4288 -1217

DST #1 (4032-4060)

TIMES: 30-45-30-45  
REC. 240' MUDDY WATER  
1,990' WATER  
PPMC:34,000 HSP: 1922-1902  
FLOW: 569-649 649-959

DST #2 (4087-4112)

TIMES: 45-45-60-60  
REC.:340' WATER  
HYD: 1942# - 1922#  
FP: 31-52; 93-145  
SIP: 1120# - 1100#

DST #3 (4142-4155)

TIMES: 30-30-30-30  
BLOW: 1ST OPEN-WEAK DIED  
REC.:5' MUD  
IFP:10-10 FFP:20-20  
ISIP:1030-919

DST #4 (4255-4280)

TIMES: 45-45-60-60  
BLOW: 1ST OPEN 2"  
2ND OPEN 1"  
REC.:120' WATER W/2' FREE OIL  
HYDRO:2083-2063 IFP:52-62  
FFP:93-93 ISIP:1020-989  
TEMP:119°

DST #5 (4287-4320) LANSING KC

TIMES: 30-30-30-30  
REC. 10' VSOSM  
HSP:2123-2103  
FFP:10-10 SIP:218-218  
TEMP:120°

DST #6 (4319-4395)

TIMES: 30-30-30-30  
REC. 5' MUD  
HSP:2123-2113  
FFP:10-10 SIP:619# 52#  
TEMP:120°

RECEIVED  
KANSAS CORPORATION COMMISSION

2-9-1996  
FEB 09 1996

CONSERVATION DIVISION  
WICHITA, KS

Phone 913-483-2627, Russell, KS  
 Phone 316-793-5861, Great Bend, KS

15-109-20594-00-00  
 Phone 913-625-5516, Hays, KS  
 Phone 913-672-3471, Oakley, KS

Phone 316-886-5926, Medicine Lodge, KS  
 Phone 913-798-3843, Ness City, KS

NEW

# ALLIED CEMENTING CO., INC.

Home Office P. O. Box 31

Russell, Kansas 67665

7823  
 ORIGINAL

Date	10-11-95	Sec.	9	Twp.	11	Range	32	Called Out	3:00 PM	On Location	3:40 PM	Job Start	5:20 PM	Finish	5:45 PM
Lease	Nickelson	Well No.	1	Location	1/4 S Oakley KS			County	Logan	State	KS				

Contractor	LD	
Type Job	Surface	
Hole Size	12 1/4	T.D.
Csg.	8 7/8 284	Depth
Tbg. Size		Depth
Drill Pipe		Depth
Tool		Depth
Cement Left in Csg.	15'	Shoe Joint
Press Max.		Minimum
Meas Line		Displace
Perf.		16 1/2

Owner Rheem Resources Inc  
 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 listed.  
 Charge To Rheem Resources Inc  
 Suite 505 100 S Main  
 Street  
 City Wichita State KS 67202  
 The above was done to satisfaction and supervision of owner agent or contractor.

Purchase Order No.  
 X *Don J. Maghian*  
**CEMENT**

Amount Ordered 170 sks 60/40 3% cc 2% Gel  
 Consisting of  
 Common  
 Poz. Mix  
 Gel.  
 Chloride  
 Quickset

**RECEIVED**  
 KANSAS CORPORATION COMMISSION  
 Handling  
 Mileage DEC 18 1995  
 12-18-1995  
 CONSERVATION DIVISION  
 WICHITA, KS  
 Sales Tax  
 Sub Total  
 Total

**EQUIPMENT**

Pumptrk	No.	Cementer	Dean
	191	Helper	
Pumptrk	No.	Cementer	Don
		Helper	
Bulktrk	218	Driver	
Bulktrk		Driver	

**DEPTH of Job**

Reference:	Pump Trk chg	
	Mileage 2 3/4 per mile	
	Surface Plug	
	Sub Total	
	Tax	
	Total	

Remarks:

Floating Equipment

Thank You

## 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 wilful 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.

3352

15-109-20594-00-00

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

ORIGINAL

SERVICE POINT:

Oakley

DATE <u>10-21-95</u>	SEC. <u>9</u>	TWP. <u>11</u>	RANGE <u>32</u>	CALLED OUT <u>4:00 AM</u>	ON LOCATION <u>5:30 AM</u>	JOB START <u>7:00 AM</u>	JOB FINISH <u>9:30</u>
LEASE <u>McKelson</u>	WELL # <u>1</u>	LOCATION <u>1 W 1/2 S Oakley</u>		COUNTY <u>Logan</u>	STATE <u>Ks</u>		

OLD OR NEW (Circle one)

CONTRACTOR <u>L D Drlg</u>
TYPE OF JOB <u>PTA</u>
HOLE SIZE <u>7 1/8</u> T.D. <u>4715</u>
CASING SIZE _____ DEPTH _____
TUBING SIZE _____ DEPTH _____
DRILL PIPE _____ DEPTH <u>2600</u>
TOOL _____ DEPTH _____
PRES. MAX _____ MINIMUM _____
MEAS. LINE _____ SHOE JOINT _____
CEMENT LEFT IN CSG. _____
PERFS. _____

OWNER <u>Same</u>
CEMENT
AMOUNT ORDERED <u>190 sks 60/40 670 Gel</u>
<u>1/4" Flowseal</u>

COMMON _____ @ _____
POZMIX _____ @ _____
GEL _____ @ _____
CHLORIDE _____ @ _____
_____ @ _____
_____ @ _____
_____ @ _____
_____ @ _____
_____ @ _____
HANDLING _____ @ _____
MILEAGE _____ @ _____

### EQUIPMENT

PUMP TRUCK CEMENTER <u>Dean</u>
# <u>191</u> HELPER <u>Wayne</u>
BULK TRUCK DRIVER <u>Don</u>
# <u>218</u>
BULK TRUCK DRIVER _____
# _____

### RECEIVED

KANSAS CORPORATION COMMISSION

TOTAL \_\_\_\_\_

### REMARKS:

DEC 18 1995  
12-18-1995

### SERVICE

<u>1st Plug 97 2600' w/25sks</u>
<u>2d Plug 97 1670' w/100sks</u>
<u>3rd Plug 97 320' w/40sks</u>
<u>40' w/10sks</u>
<u>15sks in Rat Hole</u>

DEPTH OF JOB _____
PUMP TRUCK CHARGE _____
EXTRA FOOTAGE _____ @ _____
MILEAGE _____ @ _____
PLUG <u>Dry Hole</u> _____ @ _____
_____ @ _____
_____ @ _____

TOTAL \_\_\_\_\_

CHARGE TO: RHeem Resources Inc  
 STREET Suite 505 100 S Main  
 CITY Wichita STATE Ks ZIP 67202

### FLOAT EQUIPMENT

_____ @ _____
_____ @ _____
_____ @ _____
_____ @ _____
_____ @ _____

TOTAL \_\_\_\_\_

TAX _____
TOTAL CHARGE _____
DISCOUNT _____ IF PAID IN 30 DAYS

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.

SIGNATURE [Signature]

## 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.

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(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 wilful 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.