

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE**

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

Operator: License # 33401
 Name: Fred A. Ernst
 Address: 1234 WALKER AVE.
 City/State/Zip: WALKER, KS. 67674
 Purchaser: N/A
 Operator Contact Person: FRED ERNST
 Phone: (785) 735-2588
 Contractor: Name: AMERICAN EAGLE DRILLING
 License: N/A
 Wellsite Geologist: RICHARD BELL
 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. _____

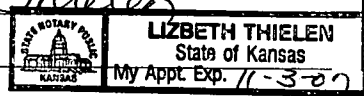
<u>5/3/07</u>	<u>5/10/07</u>	<u>5/11/07</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-065-23300 -00-00
 County: GRAHAM
NE NW SE NE Sec. 20 Twp. 7 S. R. 22 East West
1376 feet from S / (N) (circle one) Line of Section
665 feet from (E) / W (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW SW
 Lease Name: DERRICK Steelesmith Well #: 1
 Field Name: ALDA SOUTH per oper - KCC-Dlg
 Producing Formation: DRY
 Elevation: Ground: 2324 Kelly Bushing: 2331
 Total Depth: 3900 Plug Back Total Depth: _____
 Amount of Surface Pipe Set and Cemented at 211 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 PA AH NH 7-10-08
 (Data must be collected from the Reserve Pit)
 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: [Signature]
 Title: Owner Date: 6-22-07
 Subscribed and sworn to before me this 22 day of June
2007.
 Notary Public: [Signature]
 Date Commission Expires: 11-3-07



KCC Office Use ONLY

Letter of Confidentiality Received
 If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

RECEIVED
 KANSAS CORPORATION COMMISSION
JUN 25 2007

CONSERVATION DIVISION
WICHITA, KS

Operator Name: Fred A. Ernst Lease Name: DERRICK Steelesmith Well #: 1
 Sec. 20 Twp. 7 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)

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

List All E. Logs Run:

RADIATION GUARD LOG

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	211	COM	160	3%CC; 2% GEL

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

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JUN 25 2007
 CONSERVATION DIVISION
 WICHITA, KS

ALLIED CEMENTING CO., INC.

32962

Federal Tax I.D. #

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

Mid-Night SERVICE POINT:

5-11-07

Russell

DATE <u>5-10-07</u>	SEC. <u>20</u>	TWP. <u>7 S</u>	RANGE <u>22 W</u>	CALLED OUT	ON LOCATION <u>1:00 Am</u>	JOB START <u>4:30 Am</u>	JOB FINISH <u>5:30 Am</u>
LEASE <u>Derrick</u>	WELL # <u>1</u>	LOCATION <u>HinCity 4E 5N 3/4W 1/4S</u>		COUNTY <u>GRAHAM</u>	STATE <u>KANSAS</u>		
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR AMERICAN Eagle Drlg. Rig # 2 OWNER

TYPE OF JOB ROTARY Plug

HOLE SIZE 7 7/8 T.D. 3900'

CASING SIZE 8 5/8 SURFACE DEPTH 209'

TUBING SIZE 2 3/8 DEPTH

DRILL PIPE 4 1/2 X-A DEPTH @ 1975'

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG.

PERFS.

DISPLACEMENT

CEMENT AMOUNT ORDERED 190 SK 60 1/40 6% GEL
1/4 # FO-SEAL
PER SK

COMMON	<u>114 SK</u>	@	<u>11.10</u>	<u>1265.40</u>
POZMIX	<u>76 SK</u>	@	<u>6.20</u>	<u>471.20</u>
GEL	<u>10 SK</u>	@	<u>16.65</u>	<u>166.50</u>
CHLORIDE		@		
ASC		@		
<u>FO-Seal</u>	<u>50 #</u>	@	<u>2.00</u>	<u>100.00</u>
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>200 TOTAL SK</u>	@	<u>1.90</u>	<u>380.00</u>
MILEAGE	<u>80 Ton Mile</u>	@		<u>1440.00</u>
TOTAL				<u>3823.40</u>

EQUIPMENT

PUMP TRUCK CEMENTER GARY

398 HELPER GARY

BULK TRUCK

362 DRIVER CHRIS

BULK TRUCK

DRIVER

REMARKS:

25 SK @ 1975

100 SK @ 10.20

40 SK @ 2.65

10 SK @ 40' & WOODEN Plug

15 SK @ Rat Hole

THANKS

CHARGE TO: FRED A. ERNST

STREET _____

CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB			
PUMP TRUCK CHARGE			<u>955.00</u>
EXTRA FOOTAGE	@		
MILEAGE	<u>80</u>	@	<u>6.00</u> <u>480.00</u>
MANIFOLD	@		
	@		
	@		
TOTAL <u>1435.00</u>			

PLUG & FLOAT EQUIPMENT

<u>8 5/8 Dry Hole Wooden Plug -</u>			<u>35.00</u>
	@		
	@		
	@		
	@		
	@		
TOTAL <u>35.00</u>			

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

ALLIED CEMENTING CO., INC.

25888

Federal Tax I.D.#

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

SERVICE POINT:

OAKLEY

1:00 AM

DATE <u>5-3-07</u>	SEC <u>20</u>	TWP. <u>7S</u>	RANGE <u>22 W</u>	CALLED OUT	ON LOCATION <u>4:00 PM</u>	JOB START <u>12:30 AM</u>	JOB FINISH <u>1:00 AM</u>
LEASE <u>DERRICK</u>	WELL # <u>1</u>	LOCATION <u>HELL CITY 5N-3E-5IN</u>			COUNTY <u>GRAHAM</u>	STATE <u>KS</u>	
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR AMERICAN EAGLE RIG # 2 OWNER SAME

TYPE OF JOB SURFACE

HOLE SIZE 12 1/4" T.D. 211'

CASING SIZE 8 5/8" DEPTH 211'

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. 15'

PERFS. _____

DISPLACEMENT _____

CEMENT AMOUNT ORDERED 160 SKS COM 3% CC 2% GEL

COMMON	<u>160 SKS</u>	@	<u>12.60</u>	<u>2016.00</u>
POZMIX		@		
GEL	<u>3 SKS</u>	@	<u>16.65</u>	<u>49.95</u>
CHLORIDE	<u>6 SKS</u>	@	<u>46.60</u>	<u>279.60</u>
ASC		@		

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HANDLING	<u>169 SKS</u>	@	<u>1.99</u>	<u>321.10</u>
MILEAGE	<u>94 PER SK / MILE</u>			<u>1216.80</u>
TOTAL				<u>3883.45</u>

EQUIPMENT

PUMP TRUCK CEMENTER TERRY

422 HELPER WAYNE

BULK TRUCK

386 DRIVER LONNIE

BULK TRUCK

_____ DRIVER _____

REMARKS:

CEMENT IN CELLAR.

THANK YOU

CHARGE TO: ERNST DIE, CO.

STREET _____

CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB	<u>211'</u>			
PUMP TRUCK CHARGE				<u>815.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>80 MI</u>	@	<u>6.00</u>	<u>480.00</u>
MANIFOLD		@		
<u>HEAD RENTAL</u>		@		<u>100.00</u>
TOTAL				<u>1395.00</u>

PLUG & FLOAT EQUIPMENT

<u>9 5/8" SURFACE PLUG</u>				<u>60.00</u>
	@			
	@			
	@			
	@			
TOTAL				<u>60.00</u>

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TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE [Signature]

[Signature]
PRINTED NAME

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KANSAS CORPORATION COMMISSION

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CONSERVATION DIVISION
WICHITA, KS